

BOARD OF MAYOR AND ALDERMEN

September 4, 2002

7:30 PM

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Wihby, Gatsas, Guinta, Sysyn, Osborne, Pinard, O’Neil,
Lopez, Shea, DeVries, Garrity, Smith, Thibault and Forest

Presentation by Katie Demers and Tyler O’Brien, Mayor’s Youth Council
Members, regarding the City’s plans for the national September 11th commemoration
ceremonies.

Ms. Katie Demers stated I am a junior at West High School, a member of the Mayor’s Youth Council and the Chairperson of the September 11th organizing committee. This is Tyler O’Brien. He also attends West and is the Vice-Chairman of the Mayor’s Youth Council. The Youth Council is the sponsor of the City’s September 11 commemoration. Our purpose tonight is to familiarize you and the community with the events that are planned for that day and to thank those who participated in the planning process.

Mr. Tyler O’Brien stated first of all we wish to thank the Mayor for giving this responsibility to the Youth Council and we wish to thank the City for all of the support it has provided as we planned the event. The members of the organizing committee deserve thanks as well and they are as follows: Chief Driscoll, Chief Kane, Paula LeBlond-Kang from the City Clerk’s Office, Cindy Driscoll from the School District, Cindy Gaffney from the Greater Manchester Chamber of Commerce, Alderman George Smith who also represented Sweeney Post, Walter Swing from Post 79, Jim McLean from MCTV, Kendra Maroon from the Red Cross and James Roache from the Manchester Radio Group. A number of other individuals and organizations have contributed time and money to the event and we want to single them out for their support as well. They include: Bob Molloy of Molloy’s Sound, Dave Smith of the MTA, former Alderman Joe Levasseur, Russ Puhlman of the Manchester School District, the law firm of McLean, Graf, Raulerson and Middleton, Commander Haffner of the West High School Junior ROTC program and Leo Bernier and the City Clerk’s Office.

Ms. Demers stated in front of you you will find a schedule of events for the entire day and a separate program for the City Hall Plaza events at noon. We will discuss that event in greater detail in a moment. The first event of the day will be the ringing of the bells at 8:45 AM to commemorate the time the north tower of the World Trade Center was struck by American Airlines Flight 11. The rest of the bell ringing schedule is presented on the information sheet you have in front of you. Also in the morning each fire station in Manchester will mark the day’s events with services to begin at 9:45 AM. At that time, all

fire apparatus will be removed from their bays. At 10 AM all available personnel from each station will assemble for a brief ceremony that will include the ringing of the station bells to signify the final call for a fallen firefighter. The public is invited to attend these ceremonies.

Mr. O'Brien stated at noon all are invited to a citywide ceremony that will be held on City Hall Plaza. The ceremony will feature remarks from public safety officials, recognition of local volunteers who were at Ground Zero and selections from music programs at each high school. You have a detailed schedule of the events in front of you.

Ms. Demers stated we hope that all in this room and all who are watching tonight will be able to participate in one of these events and we especially hope to see you next Wednesday at noon rain or shine. Thank you.

Mayor Baines stated I want to publicly commend both of you for taking on this very important responsibility and we look forward to this event in the City of Manchester, which will allow our community to pay proper respect to the victims of September 11 and the heroes in the aftermath of it as well. Thank you very, very much.

Mayor Baines stated I would now like to ask Dr. James Conway of the Elliot Hospital Urology Department and Mr. Bob Duhaime, Vice-President of Patient Care Services at Catholic Medical Center to come forward. What we are attempting to do in our community is to call to the attention of members of our community the importance of prostate cancer awareness. It is in that regard that I would like to present these proclamations to these two gentlemen.

“Whereas in the Year 2002 the month of September has been declared Prostate Cancer Awareness Month and in the Year 2002 approximately 189,000 men in the United States will learn that they have prostate cancer and across the nation prostate cancer is the most commonly diagnosed non-skin cancer in men and approximately 30,200 men will lose their lives to this disease in 2002; and one in six men in the nation are at risk of developing prostate cancer during their lifetime, it is known that about 25% of prostate cancer occurs in men under the age of 65 during the prime work years and at any age prostate cancer devastates families through the loss of income, partnership and support, and prostate cancer leaves too many parents, women, children and other family members without a man they love; and African-American families are disproportionately affected due to the African-American men having the highest prostate cancer incidents and mortality rates in the world; and research suggests that men could reduce their risk of prostate cancer mortality if they followed recommended prostate cancer screening guidelines, including examination by a healthcare provider and increased awareness and use of early detection practices.

Now therefore, I, Robert A. Baines, Mayor of the City of Manchester do hereby proclaim September 2002 as Prostate Cancer Awareness Month in the City of Manchester and urge all men in our community and throughout the country to become aware of their own risks of prostate cancer, talk to their healthcare providers about prostate cancer and whenever appropriate get screened for the disease. In witness hereof, I hereunto set my hand and cause the seal of the City to be affixed this fourth day of September 2002.”

I present this to both of these gentlemen representing Elliot and CMC and would invite either one of you to say a few words if you would like to about this issue.

Dr. James Conway stated I would just encourage all of those of you who have not had your prostates examined to avail yourselves of an opportunity to do so. We have had an annual prostate screening done in this City for about the past 10 years or so. Originally it was at both hospitals and now it is at the Elliot Hospital. It will be held on September 18 at 3 PM. Service is provided by the urologists of this community. It is free of charge to have the prostate examinations and PSA blood determinations done. I would suggest that if you are interested you should call the Elliot to register and make an appointment. Thank you all very much.

Mayor Baines stated we had tried to set an example...one of my best friends in the world who is the same age as I am was diagnosed with advanced prostate cancer this past year and it was certainly a wake-up call to a lot of us who are at that same age. While I had a screening a number of years ago, I hadn't had that PSA screening until about three or four months ago. I have gone for them and am doing follow-up with that as all men should be doing. I urge all men in our community to take this advice and we can save some lives and protect some families just by being prudent in what we do with our own health. Again, thank you very much for coming.

Mayor Baines advised that the Board would move to a budget presentation.

Mayor Baines stated the end of this presentation, what I will be asking the Board to do is two things. One is hopefully to adopt my recommended cuts in the various City departments so we are able to set that money aside initially as we move toward setting the tax rate in another month or so. Secondly to simply move to refer all of my other proposals to the Committee structure of City government. There are several initiatives that are going to refer things to the various committees, including the Administration Committee, Human Resources Committee and the Traffic Committee. I would simply ask that they be moved to those committees. What I will be doing if everything remains on a time schedule with your committees is calling a special meeting of the Board the last Tuesday in September to bring some closure to this entire issue. It is imperative that we all roll up our sleeves, set aside the political rhetoric and what happened in the past and simply move forward to address the issues that I am going to talk about today. I also want to explain to you that this has been a very painstaking task that we have been engaged in in City government. I want to specifically thank Kevin Clougherty and Randy Sherman from the Finance Office. We have been bonded at the hip the past few weeks working on this issue along with Seth Wall, my new assistant, who has certainly gone right into the fire in terms of his responsibility and Wayne Robinson, my former budget assistant, who has also assisted us in coming to some of the conclusions that we have come to today. Before getting to the heart of tonight's agenda, I want to take a few moments to review the budgetary realities we are facing for the current fiscal year and indicate to the Board and to the people watching at home what must be done to confront

these realities. I also want to stress that the challenges we face in Manchester are not unique. In July I attended a seminar in New York City entitled “Budgeting in Tough Economic Times.” I was in a packed room at 9 AM on a Sunday morning with city, county and state officials from all over the country. All were grappling with the results of a struggling economy and its demons, specifically decreased revenues and double-digit increases in health insurance costs. Many were also confronting many other issues, such as increased school enrollment, spiraling special education costs and the need to address long neglected infrastructure needs in various communities. The Finance Officer handed me a report today that he just received indicating the number of communities across the country that are not addressing issues the way we are addressing them – by making some very tough decisions and causing government to look at itself the way we are functioning and make some necessary cutbacks. There are communities across the country, including Portland, Maine that is facing an \$11.6 million budget shortfall. Worcester, MA has a \$20 million budget shortfall in FY2003 and the list goes on and on. Arlington, TX is \$10 million. Buffalo, NY is \$28 million. We are not going to be facing a budget deficit. We are going to operate this budget and make some tough decisions and provide vital services to the community. Many are also faced with what I am proposing today —cutting allocations from previously approved budgets. This is not unique in the economy we are in today so those who may be writing about the fact that Manchester’s situation is unique and something is amuck here, it is simply the realities of the economic times we are in and we need to face those responsibilities and we will. One of the messages I was left with and I will quote “we must reform how government works on the inside to improve its performance on the outside.” This quotation has meaning related to my recommendation to restructure some of the departments in City government. In addition, we were urged to cut the costs of mistrust, which we will talk about as we talk about some other things that must be done differently to make our government more responsive to the public that we serve. These are the times we are in and we must face our responsibility and act responsibly and not make cuts that will alter the momentum of our great City. I believe that the citizens of our City are willing to work with us and they understand that they will need to pay a little bit more to sustain the strength of our community. Please do not under estimate our citizen’s understanding of the situation we are in. They do not want to see vital services impacted in a profound way and we need not do that and we will not do that. However, we must recognize that we must make prudent and thoughtful decisions. While changes in the financial landscape have provided some challenges, these challenges also provide some opportunities. I refer you to the slides. The challenge is clear. Our City is currently grappling with the need to make changes totaling \$2.15 million for the FY03 budget. We arrived at the \$2.15 million figure by adding the \$750,000 not realized from the sale of the garages along with the \$1.4 million hit the budget has taken as a result of the approximately \$55 million revaluation shortfall. The following steps will be taken in the short term to achieve the \$2.15 million in savings. City department spending shall be cut an additional \$650,000. This is in addition to the cost of living increases and severance amounts that already must be absorbed within their existing budgets. There will be no additional appropriations for COLA increases or severance. Also,

we are recommending that we close out certain CIP accounts and that will produce \$255,000 in unused funds. A new parking contract, which I urge this Board to adopt expeditiously, will yield approximately \$165,000. The fund balance in insurance reserves will account for an additional \$500,000 in savings. Previously unanticipated school revenues will contribute an additional \$507,351. I want to particularly commend the new Superintendent of Schools, the Finance Chair of the School Board, Tom Donovan, and the Vice-Chair of the School Board, Leslee Stewart and Ron Chapman, the Business Administrator, for helping us to come up with realistic, honest projections of school district revenue. A new day has dawned in that office. This still allows the settlement agree to be followed and schools are able to make a \$500,000 deficit reduction payment. These are the short-term solutions to the current demands of the budget. There are additional long-term steps and I want to focus the community on long-term steps. I also would hope that the media would focus on steps we are taking to protect the long-term financial viability of our community. First, I am asking for the Board's support and the support of our legislative delegation to fine-tune enabling legislation for a biannual budget to allow for the same flexibility afforded to the State of New Hampshire. This instrument will provide greater planning capabilities and, therefore, room for savings. I will be working with the Finance Officer to develop a strategy to achieve this goal. In addition, I am presenting the Board with ordinances that will create, for the first time, three reserve accounts. Again, more information will be forthcoming when we sit down. I believe these proposals are going to the Committee on Administration. You have a detailed explanation of these reserve accounts but they are an idea whose time has come as we look at planning the financial viability of the community well into the future, in fact well beyond all of our service to this Board. We will establish a tax rate stabilization reserve account. That will be a very important account that we will look at for building resources and to help us in the future with downturns in the economy. Manchester has never had the foresight to look at doing something of that nature. We will also be establishing a special revenue reserve account. That account would be the recipient of whether you were selling a property like a garage or looking at selling tax-deeded property and I do ask the Lands & Buildings Committee to expedite the sale of tax-deeded property, including property that we just became aware of that we had. We need to get this issue on the agenda for the Board. Let's sell this property and get this money into a special reserve account that can also be used with certain guidelines to help us through future economic challenges and a risk retention reserve account, again, which is detailed in the material that has been sent to you. I believe by adopting these three ordinances we will take a step in the right direction of returning financial stability to this City in the long-term. I could only wish that these funds had been in existence at the time that the \$32 million came to Manchester in 1999 and some thought had been given to putting some money into a reserve. We would have a much different picture, a much different story being told today but that was then and this is now. Let's look to the future in a way the City has never looked before. The swift adoption of these will demonstrate that we are committed to long-term financial viability of our community by instilling discipline that looks to the future, not for short-term fixes. We have an obligation to operate government as efficiently as possible. In order to confront the

prospect of comparatively anemic revenue projections well into the future, the City must do the following. We must look to consolidate functions, such as financial accounting. I realize that it is fraught with all kinds of turf battles and issues of mistrust, but I believe in looking at this issue it is an idea whose time has come. It is just a matter of how we get there from where we are today and I want to chart a course for that as well. We also must restructure City government. In all due respect, we must look at departments that have similar functions to streamline their functions to make them more efficient and make them stronger by sharing resources, including administrative resources. This is again fraught with all kinds of turf battles but again if we are committed to looking towards the future, these are things that simply make common sense. One example of department reorganization would be the adoption, swiftly, of the Nashua model for the Assessor's Office. There is no need; I repeat no need to spend approximately \$250,000 for top management of this department as opposed to approximately \$68,000 in the City of Nashua. Also, a part-time Board of Assessors should handle the abatement process through a public process similar to the functions of the Planning and Zoning Boards. I would be very happy to sit down with the Committees. We have worked on some different proposals with the cooperation of the Human Resources Office, as well as some ideas that were brought forth by our Chief Assessor of ways to look at that. I believe we can do that and also accomplish the State mandate of recapturing the revaluation every four years. If they can do it in Nashua with a tax base which is significantly higher than ours with a much more efficient process by having appraisers and also look at having a public process so when people have abatements there is a process similar to the Planning and Zoning Boards where people come in in a public process and there is a vote of fellow citizens dealing with abatements, that is the fair way to do it. It will benefit by an open process. That part of government must be open. It is the right thing to do and Manchester is antiquated in that regard and that must change. Also, I am asking a distinguished group of citizens to review the present financial accounting structure within our government. Their primary task will be to explore the merits of centralized financial accounting with a focus on more efficient financial management, including the concept of a single Chief Financial Officer, a CFO, to oversee finances for both the City and the School District. I recently had dinner with the Mayor of Brockton, MA and I shared this with some members of the Board personally. He has a very similar function as the Mayor of Manchester as he also serves as the Chairman of the School Board. He said the most significant thing that he was able to accomplish in the City of Brockton to get rid of the turf battle and to get single reporting of the financial status of the entire government was to get the schools and the city on line with the Chief Financial Officer. I believe that is critical, however, I want this task force that I am putting into place to look at it, examine it and make some recommendations. A political approach. Again, an issue fraught with all kinds of political turf but it is time for those political turf battles to end for the benefit of the taxpayers of the City of Manchester and I will not rest until we can accomplish these tasks because they are doable, they are going to make sense financially and again it is the right thing to do. Members of this task force to date include the following: Alison Pitman-Giles, the Chief Executive Officer of Catholic Medical Center; distinguished local businessman, Steve

Kamen; businessmen John Madden, Ray Pinard, Dick Charpentier, Maurice Pratte and Chuck Hungler. This group will be supported with the advice of former Mayor Dr. Sylvio Dupuis who will act as an advisor to the group. We have also lined up some other distinguished members of this group that we will be announcing later on. In addition, I am recommending that the Board of Mayor and Aldermen adopt the following: implement a parking auto registration fee authorized by State statute. The increase could raise \$350,000 if implemented by November 1 and would erase the deficit in parking operations and cost the car owner a maximum of \$5 at the time of registration, which is totally unlike the last time this was implemented when much more significant dollars were extracted and the Board of Mayor and Aldermen finally withdrew it under protest. This is a modest increase. It takes care of the parking deficit, which must be taken care of. This is a way to do it and everyone benefits both in the short and long-term as we look at addressing our City's parking needs, which are only going to increase as time goes on. I also want to realize savings as a result of the new management practices to be called for in a new garage contract. These improvements are projected to yield an additional \$100,000. Please act on this recommendation that has been sitting on the table for I believe about three months. Finally, the City must seriously consider a responsible recycling program – bag and tag. The City stands to realize \$680,000 from such a program if it were implemented on January 1. I have not included that number in my projections of the task rate because I know it is another issue fraught with all kinds of political positioning and genuine concerns and I respect that. However, I want to point out that if we adopted it this year and were able to implement it, the tax rate could go down even further to approximately 7.32%. In addition, a bag and tag program would put the City on track to reach the goals to reduce the amount of solid waste fill. Currently, Manchester reaches 8% minimum weight division of solid waste. That is not acceptable and, in fact, in many ways it is disgraceful. The State has established a benchmark of 40% that was supposed to be achieved two years ago under an RSA. In addition to over \$1 million for a full fiscal year, the City would reduce expenses by an average of \$300,000 for each 10% increase in recycling. This is the right thing to do for the right reasons. It is long-term thinking. It is responsible and I can only point out what we are doing now in terms of yard waste. I have to buy the bags. You have to buy the bags and we have to do it because it is the right thing to do in terms of recycling yard waste. When I recently had to get rid of two old air conditioners, I had to pay \$25 a piece to have them removed because that is the responsible thing to do – for the users to pay. Again, it does the right thing by recycling. We have to think of the environment. We have to think of goals that are realistic and if we don't keep putting that on the front burner, we are not doing the right and responsible thing to do. In the next few weeks in addition to detailed consolidation plans, which are being worked on as we speak and being fine-tuned, I shall be providing the Board with additional information about proposed economies including the following: adopting a directive for department budget reductions, which I am asking you to do tonight; a staff recommendation on the parking management contract that I hope the Traffic Committee will act on expeditiously. I am requesting that the CIP Committee act on the proposed CIP account closures. I am asking the Committee on Accounts to adopt the reserve

account ordinances, the drafts of which you have before you. I am requesting the Committee on Accounts and the Committee on Traffic and Public Safety to consider the parking auto registration fee proposals to eliminate the parking deficit. I request the Committee on Human Resources and the Committee on Administration to consider various consolidation and reorganization proposals. Finally, a request of the Committee on Administration to act on the bag and tag proposal. I feel this is an accurate summary of the tasks before us. I remain confident that by working together we will be able to draft solutions that will have a positive impact not simply on this budget, but also on future budgets. I also want to tell you that the proposals you have before you tonight will reduce the projected tax rate below the budget estimate to 7.89%. It minimizes the reduction of services. It minimizes the need for lay-offs and establishes long-term efficiencies and services through consolidation. What does the program impact? It also institutes fiscal responsibility ordinances, continues essential CIP programs, eliminates parking subsidies and works towards the State goal of 40% refuse reduction according to the RSA that was up on the screen. Where do we go from here? We develop credible short and long term forecasts of revenues and expenses. I will have much more to say about that as we go forward. Also, determined revenues will be adequate to meet forecasted expenses in the long-term. I have already pointed out that we have an obligation to open up the Cohas Brook Fire Station. That is going to be an additional \$1.2 million approximately. We also must make-up the remainder of the School District deficit, which will be approximately \$2 million in the next fiscal year. There are significant challenges. We must bring credibility and openness to the revaluation process so as to capture what is happening in the marketplace in an equitable and timely manner in accordance with State mandates. I am asking to allow department heads to manage all staffing decisions within these revised allocations. What are our choices? Our choices are clear. Either we cut expenses permanently or increase revenues permanently. Some tough decisions lie ahead. Tougher decisions next year than the decisions we have made this year. Key decisions. We will have to decide on the total revenue the City will have and decide on what results we want to achieve and at what price. Tough decisions. Tough economic times. It is doable if we roll up our sleeves, put aside the political posturing and work together in cooperation for the benefit of the taxpayers of the City. Again, I would ask that the Board adopt the spending cuts and refer all other matters to the appropriate Committees. Thank you.

Alderman Lopez stated your cuts are very tough and very reasonable and moved to adopt them. Alderman Wihby duly seconded the motion for discussion.

Alderman Wihby asked when you went over the School number, the \$230,000 and the \$277,000, is that...you know how we had that contract with them and we went to court and they were supposed to pay us \$500,000, that is still coming besides this money.

Mayor Baines answered yes. Under the settlement agreement that we all participated in in court that day, there was a requirement to pay down the deficit over the first and second year

and then the third year whatever was left. Kevin, we are projecting that that will end up being about \$2 million?

Mr. Clougherty replied right.

Alderman Wihby stated what I am saying is is this the \$500,000.

Mayor Baines replied no. That is part of the pay down of the deficit. That is the second installment of paying down the deficit as was required in the settlement agreement.

Alderman Wihby asked so at the end of the year they are supposed to have \$500,000 left over and that is still there.

Mayor Baines answered that is correct.

Alderman Wihby asked that is still coming besides this.

Mayor Baines answered that is correct.

Alderman Wihby asked the tax rate stabilization reserve account, I notice one of the things in here said at the close of each fiscal year but you are asking, which is a good idea, to have a budget that goes for two years so we might not want to close it out each fiscal year but at the end of two years.

Mayor Baines answered those are the types of things we can fine tune...we actually met with our new financial advisors and asked for some help in terms of looking at establishing accounts such as those so we can work with them on those as well.

Alderman Wihby asked on the graph that you have with all the different numbers for the departments there is a column there that says adjustments. What was that? It says A, B, C, D. It is the sheet that has all of the department numbers and gives you how you add up to \$2.15 million. There is a second column that says adjustments.

Mayor Baines asked Randy to come forward. We took out certain service contracts and things of that nature.

Mr. Clougherty stated it wasn't an even 2%. We took other things like contracts and worker's compensation.

Mr. Sherman stated those A's, B's, C's and D's are actually foot noted on the bottom of that sheet. Before we took the cuts out we looked at each department's budget...for example the

City Solicitor's budget has the reserves...the worker's compensation in it and we didn't think it was fair to cut the Solicitor's budget when they have the reserves in.

Alderman Wihby asked so that has nothing to do with the cuts, that is just a column...

Mr. Sherman interjected no we just backed out certain things. For example, all the contributory retirement budget is in HR so we backed that out before we did the cut.

Alderman Wihby asked the Health audit, the \$500,000, wasn't that like \$2 million and \$2 million. Why do you have the cut there? That is not where the money is.

Mr. Sherman answered we are not actually cutting that \$500,000 out. That was just a line we put on to recognize the fact that we are picking up the additional reserves.

Alderman Wihby asked where is the \$277,351. It is not added up in those numbers.

Mr. Sherman answered it is not and what the Mayor showed up on his slide is he is actually going to take the \$230,000 that shows for school here plus the \$277,000 will actually reduce your tax rate below the 8.1% where you would budget it.

Alderman Wihby asked so basically we are going at \$2.4 million.

Mr. Sherman answered it is actually going to get you below where you thought you were going to be.

Alderman Wihby stated we were trying for \$2.150 million and we are actually at \$2.4 million.

Mr. Sherman responded that is correct.

Alderman Wihby stated the other thing, your Honor is we are looking at these numbers and hoping that some of these are going to pass and we are going to know within the next month or so but my recommendation would be because we don't know if this is going to happen and we are trying to get the rate lower that we ask the Assessors that the MS form be done by the October 15 meeting so that this Board can then look at those numbers, look at the MS form and make sure that is where we want to be. If there are any more changes after that it would give us some time to either reduce it or maybe it is not as bad as we think but we should try to get that MS form for the October 15 meeting, which would give us a couple of weeks before the tax rate setting.

Mayor Baines asked, Steve, did you ask for an extension.

Mr. Tellier answered yes.

Mayor Baines asked does that timeline fit okay for you.

Mr. Tellier answered that is going to be very difficult, Alderman. It has been our past practice to close up the system towards the end of October. We could possibly move that up but in all the years past we usually close up the system around October 20-28 and that provided for reconciling all the figures and making sure that everything balances to the penny.

Alderman Wihby stated but we didn't have a \$2 million problem that was thrown at us in the middle of a fiscal year either.

Mayor Baines stated we could have a special meeting before we actually go to the DRA once the final numbers are established. This will not be over until we actually go to DRA. Am I correct, Kevin?

Alderman Wihby asked can we shoot for October 15 for an MS form to be completed so we have a couple of weeks and then we could come back after that.

Mr. Tellier answered we will work on that.

Alderman Wihby stated just in case something doesn't pass that you are recommending, your Honor, or something comes out better when you do your numbers and there is more money.

Mr. Tellier responded we will work on that.

Alderman Garrity stated can I ask Chief Kane and Chief Driscoll what the \$60,000 is going to do to their budgets. Chief Kane, with this \$60,000 reduction would a company be going out of service or anything like that?

Chief Kane replied at this point in time we are not looking at having any companies put out of service. What we are operating with and have been since July is we are trying to be fiscally conservative with regards to our day-to-day operations. One of the things that has helped us out in our budget is that we have had some mechanical issues with some of the trucks and they have been out of service and we have been able to make up some money there. That is how we are looking at proceeding in the future.

Alderman Garrity asked, Chief Driscoll, will there be any lay-offs of police officers or anything.

Chief Driscoll answered no, Sir.

Alderman Shea stated one of the more important offices is the City Clerk and I notice that they are taking quite a hit. Leo, could you comment?

Clerk Bernier replied we have two positions that are vacant right now and also one of the security guards decided to leave so that is where we are going to be making up the \$44,000. We are also going to take some money out of the conference account, as well as the publication account.

Alderman Shea asked so you are okay.

Clerk Bernier answered we will be fine.

Alderman Smith stated I would like to ask Frank Thomas how this is going to reflect on his budget.

Mr. Thomas stated we were able to make up these cuts through savings in our solid waste contracts. When we budget for them we have an annual CPI adjustment in the contract, which is set at a maximum of 4%. This year it came in at 1.7% so we were able to pick up \$80,000 there. Vacancies...we have been running with nine vacancies and that has picked us up a sizeable amount. With other savings in salaries, etc., we have been able to accommodate the \$200,000. The only concern I have, which I would pass on is that this does leave our budget down to the extreme bare bones. In the past as I mentioned when we had a bad winter I had the luxury of having \$300,000 in resurfacing as an insurance policy. Obviously, I don't have that any more. I also periodically get asked to pay worker's compensation cash settlements, which in the past I have been able to accommodate out of my budget. This year I will probably have to request that the settlements be funded out of the insurance fund. I guess what I am saying is these cuts I can live with and they are not going to have any impact on services provided if we have a mild winter.

Alderman DeVries asked within your budget if you are running nine positions short for the remainder of the year...

Mr. Thomas interjected I have nine vacancies now...actually it is up to ten today. I have been able to save about \$70,000 so far this year, which would go towards this \$200,000 cut that I have to make. I would like to think that once the Board approves the Mayor's

recommended cuts, I will have the flexibility of filling most of those nine positions. Part of the proposal is there will be a position eliminated out of my complement but I would like to think that I would get the flexibility back to fill these vacant positions because they are having a tremendous impact on us.

Alderman DeVries stated one of the assumed impacts might be that the older employees who are doing double duty might be more apt to retire if you do not fill those positions. Does that have an impact within your budget as far as vesting out and having to make up their retirement amounts?

Mr. Thomas replied if we experience a lot of retirements obviously severance costs are going to be there. Again, as the Mayor noted those haven't been funded. We would accommodate those out of our operating budget. Typically the way we do cover severance's is that we delay in hiring positions so there is always going to be positions vacant in the department because we have such a large turnover. We utilize those vacancy savings to cover severance costs, and cover potential COLA costs if our bargaining unit contract is settled. We have been able to use the vacancy money to cover this \$200,000 budget reduction now and hopefully we will be able to use some of these vacancy savings to cover severance and COLA costs in the future. The bottom line is I would like to be able to have the flexibility of filling the positions if I deem that they should be filled.

Alderman DeVries asked chronic drain I noticed is being reduced. Were you able to work out exactly what funded programs the \$35,000 reduction would impact?

Mr. Thomas replied I am not aware of exactly the amount. I have seen the total CIP cuts but I haven't seen anything regarding how much the chronic drain program is being cut. There was \$50,000 allocated this year...

Alderman DeVries interjected it looks like the available amount was \$55,000 and the shortfall is \$35,000.

Mr. Thomas stated \$35,000 shouldn't be an impact on the projects that are approved.

Alderman O'Neil asked, Frank, is it your understanding that if you meet this guideline of \$200,000 that you will be able to fill any vacancies moving forward once you have accomplished that goal. Is that correct?

Mr. Thomas answered that is correct. I would like to think that that would be the Board's decision.

Alderman O'Neil asked, your Honor, is that part of your recommendation.

Mayor Baines answered yes it was. What I said to the department heads was they have to manage their departments. We realize the challenges we have this year. I also said they have to replicate the savings going forward in the next year. They are very capable people and I am asking them to manage their personnel going forward.

Alderman O'Neil asked so the so-called freeze would be off and they would be required to manage their budgets.

Mayor Baines answered they are going to be required to stay within these guidelines and also to look towards next year.

Alderman O'Neil asked and that is part of our approval on the \$650,000.

Mayor Baines answered yes.

Alderman Gatsas asked are you saying that the hiring freeze is off in all departments and they can hire as they see fit.

Mayor Baines answered what we are saying is we have pulled back the expenses. They have been given a charge, Alderman, of managing all of the reductions this year, replicating the savings going into next year and what I am recommending is that we allow them to manage and make decisions about their work force going forward with those conditions that I have set forward. They are being paid very good money to manage their departments. They are very creative as we have seen in terms of dealing with the issues and I think they should be given that authority.

Alderman Gatsas stated my question was all departments or just Highway.

Mayor Baines replied all departments.

Alderman Gatsas stated I certainly...I look at Frank and I guess you took 3.5% when this first started without any kicking or biting and this is another 1.5%...

Mr. Thomas interjected somewhere in that range, correct.

Alderman Gatsas stated your Honor, I guess if something should happen to the revenue stream in the City are we going back to the Highway Department or are other departments in this City going to take the same cuts that Highway had to take.

Mayor Baines replied what I would say is when we are presented with another challenge of this nature and we keep our fingers crossed that we won't, we are going to sit down with the department heads and try to bring about as many economies as possible. Understanding Frank's situation if you notice some other departments that took some significant hits last time, including Health, were exempted for that same type of reason. We would be looking in other places as a first resort because we realize the substantial cuts that he has taken.

Alderman Gatsas stated on some of these cuts I think the discussion that we had during the original budget process is that I had made some suggestions that we reduce the amount of worker's compensation reserve. I made a suggestion that we reduce the amount of health insurance reserve and for some reason some three months ago that wasn't a good idea and maybe the Finance Officer who said it wasn't a good idea three months ago maybe he can explain to me why three months later it is a good idea.

Mr. Clougherty replied because we have better information and we closed the books and we know what the actuals are for the previous year.

Alderman Gatsas stated Mr. Clougherty that is not the answer that you gave us during the budget process. Can you redefine the answer that you gave me during the budget process?

Mr. Clougherty replied I can't remember the answer I gave you during the budget process. I would have to go back and pull out the records. I would be happy to do that.

Alderman Gatsas stated I hope you are not looking for me to table this tonight so that we can get an answer from the Finance Officer.

Mayor Baines replied no. What we have done, Alderman, is if you remember about a month ago and I know this was not during the budget process but when we were confronted with the challenge we came back to the Aldermen with a letter indicating that we were looking at insurance reserve based upon up-to-date financial information. We have better information now just as we have better information regarding the School District situation.

Alderman Gatsas responded I understand, your Honor, but during the budget process I thought the challenge of a more than 11% increase to the taxpayers of this City was a challenge. At that time when we were talking about worker's compensation cuts and health insurance cuts, that is not the answer I got. So maybe we need to take a recess so that we can get the minutes of that meeting to have everybody recollect what was said.

Mayor Baines replied that doesn't solve the issue that we are in right now. I would ask the Board to move on these issues and if we need clarification about what was said during the budget process we can get that. I don't believe it has any pertinence to what we are recommending today. I would urge the Board to vote on these recommendations.

Alderman Gatsas asked the sale of the parking garages...I understand that that is not in there but are we assuming that we are not selling any garages so that is why you are encouraging everybody to get into a contract. Do we have a hold harmless in that clause contract that if we do something...

Mayor Baines interjected again those are things that we have to review. As you know, we approve all contracts subject to the review of the City Solicitor. It is the responsibility of the City Solicitor to insure that we are entering into agreements that make sense. The answer to the next part of your questions is no I am not assuming anything but I know that we are not going to realize those revenues even if we decide to sell them in time to set the tax rate so that is why we haven't included them.

Alderman Lopez stated I just want to make sure that the COLA and severance and merit pay and everything that all of the departments are absorbing that.

Mayor Baines replied that is correct.

Alderman Lopez asked that is for non-affiliated employees also.

Mayor Baines answered that is correct.

Mayor Baines called for a vote on the motion to adopt the budget cuts recommended. There being none opposed, the motion carried.

Alderman O'Neil moved that all of the other proposals be referred to the appropriate committees as noted. Alderman Wihby duly seconded the motion. Mayor Baines called for a vote. There being none opposed, the motion carried.

CONSENT AGENDA

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

Ratify and Confirm Poll Conducted

- A. Approving a \$2,000.00 contribution from Civic Contributions to Henry J. Sweeney Post.

Approve Under Supervision of the Department of Highways

- B. Verizon Pole Petitions:
- 1) #4AABDF on Brown Avenue along to Newbury Road and continuing in a northerly direction along No. Perimeter Road;
 - 2) #9D0003 along Devonshire Street;
 - 3) #942868 on Eastern Avenue; and
 - 4) #9AABT6 on Brown Avenue.

Informational - to be Received and Filed

- D.** Copies of minutes of the Mayor's Utility Coordinating Committee meeting held on July 17, 2002.
- E.** Copies of minutes of an MTA meeting held on June 26, 2002 and copies of the Financial and Ridership Reports for the months of June & July 2002.
- F.** Copy of a communication from the State of New Hampshire, Department of Transportation advising of the authorization to proceed with amendment to Force Account Agreement work covering fire alarm cable relocation on the I-293 Pavement Rehabilitation and Bridge Reconstruction project.
- G.** Copy of a communication from the State of New Hampshire, Department of Transportation advising of contemplated awards.

Accept Funds and Remand for the Purpose Intended

- H.** Communication from the Deputy Finance Officer advising of the receipt of \$1,125.00 for the Police Department's share of Forfeiture Funds.

REFERRALS TO COMMITTEES

COMMITTEE ON FINANCE

- I.** Copy of a communication from the Manchester Police Athletic League seeking the placement of an advertisement in the 2002 Stovepipe College Hockey Fundraiser Event Program Guide.
- J.** Bond Resolutions:
 - “Authorizing Bonds, Notes or Lease Purchases in the amount of Three Hundred Seventy Five Thousand Dollars (\$375,000) for the 2003 CIP 411403, South Willow FS Reroofing & Masonry Repairs Project.”
 - “Authorizing Bonds, Notes or Lease Purchases in the amount of Seven Hundred Thousand Dollars (\$700,000) for the 2003 CIP 411403, Cohas Brook Fire Station Project.”

REPORTS OF COMMITTEES

**COMMITTEE ON ACCOUNTS, ENROLLMENT
AND REVENUE ADMINISTRATION**

- L.** Advising that it has accepted the monthly financial statements for the month ended July 31, 2002 and is forwarding same to the Board for informational purposes.
- M.** Advising that it has accepted the following Board of Assessors reports:
 - a) update of tax base;
 - b) status of overlay;
 - c) status of outstanding abatements;
 - d) status of tax appeals; and
 - e) status of exemptions and payment in lieu of taxesand is forwarding same to the Board for informational purposes.

COMMITTEE ON COMMUNITY IMPROVEMENT

- N.** Recommending that the Board authorize the transfer and expenditure of funds in the amount of \$86,071.33 (Bond) from various CIP projects for FY2002 CIP 811202, Architecture/Engineering Facilities Capital Planning.
- O.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$100,000 (local match) for FY2002 CIP 714402 Sidewalk Improvement Program; and for such purpose a resolution and budget authorization has been submitted.
- P.** Recommending that the Board authorize the acceptance and expenditure of funds in the amount of \$9,417 from WalMart Corporation for FY2003 CIP 713303, South Willow Street Area Improvements; and for such purpose a resolution and budget authorization has been submitted.
- Q.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$100,000 (matching grant from the NH Dept. of Resources and Economic Development) for FY2003 CIP 612303 Convention and Visitors' Bureau; and for such purpose a resolution and budget authorization has been submitted.
- R.** Advising that it has approved a request from Bruce Thomas of the Highway Department to complete work on Reed Street in the alley, Alamino/Greeley Street, Mooresville Road and Old Wellington Road as part of the City's Chronic Drain Program to be funded out of balances in the program.

COMMITTEE ON JOINT SCHOOL BUILDINGS

- S.** Advising that it has accepted the enclosed project status reports and the architects' and consultants' reports for the months of July and August relative to NORESCO Performance Contract, Roofing Projects - Manchester Schools, McLaughlin Middle School Addition, Bakersville Kindergarten & Electrical Improvements, Hallsville Bathroom Renovations and Southside Middle School-Interior Classroom Additions/Renovations, Highland Goffe's Fall & Parker-Varney Flooring Replacement, Hallsville and Wilson Schools Reroofing and Brick Masonry Restoration, McDonough Elementary School Kindergarten Addition, and Memorial High School Media Center and is submitting same to the Board for informational purposes.

COMMITTEE ON LANDS AND BUILDINGS

- T.** Recommending that a request of Mr. John S. Kyriazis to purchase a portion of the former Manchester and Portsmouth railroad line between Mammoth and Tarrytown Roads, be denied. The Committee notes that such property is a portion of the Heritage Trail and contains deed restrictions based on the acquisition by the City from the State.

- U. Recommending that Tax Map 0095, Lot 20 located at the Massabesic/Belmont Streets intersection be retained by the City and assigned to the Highway Department for roadway purposes.

The Committee notes that said property formerly owned by C.I.G. Corp Creamland Pension was acquired by tax deed dated October 5, 2001 and recorded in the Hillsborough County Registry of Deeds on October 11, 2001, Volume 6502, Page 2527.

The Committee further recommends that the Finance Officer be authorized to credit tax deed accounts as may be required.

- V. Recommending that in accordance with RSA 80:80 the Mayor be authorized to dispose of certain property situated at Groveland Avenue, known as Map 492, Lot 5 and ½ of Lot 6 by executing deeds releasing all rights, title interest, or claims in said property. Said property formerly owned by William A. Dumont acquired by the City of Manchester by virtue of Tax Collector's deed dated November 21, 1994 and recorded in Hillsborough County Registry of Deeds on November 23, 1994, Volume 5593, Page 1639.

The Committee recommends that said property be disposed of to the abutter, William Dumont for \$2,500-\$3,000 on the condition that the property not be built upon.

The Committee further recommends that the Tax Collector and City Solicitor be authorized to proceed with disposition and prepare such documents as may be required, and that the Finance Officer be authorized to credit tax deed accounts as deemed necessary.

COMMITTEE ON TRAFFIC/PUBLIC SAFETY

- W. Recommending that a request of the Traffic Department to increase parking meter hood rentals from \$5.00 to \$10.00 be granted and approved.
- X. Advising that is has approved a request of C. J. Newcomb for the closure of Orange Street between Linden and Russell Streets in conjunction with a block party to be held on Saturday, September 7, 2002 from 5PM until 10 PM under the direct supervision of the City Clerk, Fire, Highways, Police, Traffic and Risk Departments.
- Y. Advising that it has approved a request to close Hanover Street between Elm and Chestnut Streets on Saturday, September 7, 14, 21 and 28 as well as October 5 and 12, 2002 from 9 AM until 5 PM for the purpose of stimulating business in the Downtown area by having different forms of entertainment and merchant sidewalk sales be granted under the direct supervision of the City Clerk, Fire, Highway, Police, Traffic and Risk Departments.
- Z. Advising that it has approved a request from Families in Transition for the closure of the alleyway in back of 122 Market Street on Thursday, September 26, 2002 from 5 to 7 PM in conjunction with an Open House to celebrate the completion of the Millyard Transitional Housing Program Phase II under the direct supervision of the City Clerk, Fire, Highway, Police, Traffic and Risk Departments.

**HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN
O'NEIL, DULY SECONDED BY ALDERMAN SMITH, IT WAS VOTED THAT
THE CONSENT AGENDA BE APPROVED.**

- C. Communication from Kevin Sheppard, Deputy Public Works Director, advising the Board of the Department's plans to increase enforcement of refuse regulations per the City's Code of Ordinances Sections 91.54 to 91.57.

Alderman Shea stated this is an information type of item. My concern here is that everything is laid out on a sheet – warning sticker and the garbage would be emptied the first time and warning sticker and the garbage would be emptied a second time and warning sticker and emptied a third time. What is going to happen the fourth week? Are we going to fine these people? Are we going to leave the garbage there? Could Frank come forward? Obviously is somebody is not following the ordinance for three weeks they are not going to follow it the fourth week and by the fifth and sixth week we are going to have rats running around unless we have some kind of enforcement. What do you plan on doing, Frank?

Mr. Thomas replied hopefully during the first three weeks we will be able to educate the property owner.

Alderman Shea responded say they are not educable. What are you going to do on the fourth week?

Mr. Thomas replied we will refuse to collect the refuse. There are enforcement mechanisms that we have through the Health Department now. If you remember just recently the Board of Mayor and Aldermen developed a new fining schedule so we will be instituting fines.

Alderman Shea asked how much will the fines be.

Mr. Thomas answered I don't remember exactly but it is around \$100 to start off.

Alderman Shea stated okay so those will be implemented once the culprits who are guilty are not doing what they should do to keep the City clean.

Mr. Thomas replied that is correct. We will be working with the Health Department and the Building Department to enforce it.

Alderman Shea asked and the Police Department also.

Mr. Thomas answered we will always accept their help.

Mayor Baines stated while I will remember that I would like to announce publicly that Chief Driscoll and his wife, Cindy, are the proud grandparents of their first grandchild, a baby boy. Please join with me in congratulating the Chief.

On motion of Alderman Shea, duly seconded by Alderman DeVries it was voted to receive and file the communication.

Mayor Baines stated I would like to ask for a point of personal privilege for the finance officer to introduce our new financial advisors. Please come forward and Kevin will introduce you.

Mr. Clougherty stated this evening we presented a letter to the Board explaining that we had gone through an RFP process to select financial advisors. The winner was PFM, Public Finance Management, and with us tonight are the two ladies who will be serving as our finance advisors over the next several years – June Matte and Chris Doyle and I will let them speak a little bit to what they see their role as.

Ms. June Matte stated we would like to thank the Board of Aldermen for having us here this evening. We are very excited about this assignment during such a challenging time across the United States. Just for a little bit of background, I am June Matte. I am a Managing Director in PFM's Boston's office. For those of you who don't know, Public Financial Management is the nation's largest financial advisory firm. We have over 200 professionals in 20 offices across the United States. Between Chris and I we personally handle a number of accounts in New England, including the city of Boston, Stamford, CT, Bridgeport, New Haven as well as dealing with some larger cities. I have also done work for the city of Chicago, the city of Philadelphia and Washington, DC. We are looking forward to this. Our role is to assist the Finance Officer and his staff in helping to look at creative opportunities not only in structuring debt but also to help the City look at different ways to manage its budget and reorganization and helping to look for efficiencies in city government.

Ms. Chris Doyle stated I think June has summarized it. I will just add that my background is I have also assisted several cities and states in similar kinds of work and in the distant past worked with the city of Boston in their finance office as well.

Alderman Gatsas asked who are they replacing.

Mr. Clougherty answered they would be replacing Evanson Dodge.

Mayor Baines stated thank you and we look forward to working with you.

K. Resolutions:

“Amending the FY1994, 1995, 1996, 1997, 1998, 1999, and 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Eighty Six Thousand Seventy One Dollars and Thirty Three Cents (\$86,071.33) for the CIP 811202 Architecture/Engineering Facilities Capital Planning Project.”

“Authorizing the Finance Officer to effect a transfer amount of Eighty Six Thousand Seventy One Dollars and Thirty Three Cents (\$86,071.33) from various CIP bond projects to the 2002 CIP 811202 Architecture/Engineering Facilities Planning Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thousand Dollars (\$100,000) for the 2002 CIP 714402 Sidewalk Improvement Program.”

“Amending the FY2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Nine Thousand Four Hundred and Seventeen Dollars (\$9,417) for FY2003 CIP 713303 - South Willow Street Area Improvements.”

“Amending the 2003 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thousand Dollars (\$100,000) for the 2003 CIP 612303 Convention and Visitors’ Bureau.”

“Authorizing the Finance Officer to effect a transfer of Two Thousand Dollars (\$2,000.00) from Civic Contributions to the Henry J. Sweeney Post.”

“Authorizing the Finance Officer to effect a transfer of Twelve Thousand Two Hundred Ten Dollars (\$12,210.00) from Contingency to the City Clerk Budget for the Election Workers’ Rate Increase.”

“Authorizing the Finance Officer to effect a transfer of Thirty Four Thousand Dollars (\$34,000.00) from Contingency to the City Clerk Budget for the Election Expenses.”

Alderman Lopez stated for my own purpose I want some clarification here. I thought we allocated X number of dollars to get to a certain stage on this design-build and now we are adding another \$86,000. Wasn’t the figure \$250,000 that Frank Thomas reported to this Board and said he could live with that and come back and give us a complete explanation before we give him more money?

Mr. Thomas stated that is correct, Alderman. This \$86,000 is just to make-up the original \$250,000. We had \$250,000 allocated but a portion of that money was utilized for engineering to do architectural engineering work for the FY03 school projects. Originally, that engineering was going to be funded with cash from the School District, however, in their budget reductions that cash appropriation was eliminated. In order to keep this year’s school projects going we dipped into the \$250,000 that was allocated for the design-build project to fund the work going on this year. These balances now are replacing some of the funds that we took out of the \$250,000. In a nutshell we haven’t spent or committed over \$250,000 on the design-build.

Alderman Lopez stated I noticed there is another item from Alderman DeVries in reference to \$10,000. I was wondering if that question could be answered...if there is \$10,000 to be withdrawn from FY1994, 1995, 1996, etc. if that \$10,000 can be found in here or are they going to find it someplace else for a study in reference to Item 12.

Mr. MacKenzie stated the Planning Board has wanted to proceed with updating the development impact fee numbers and there are some legal requirements we have to go through so there is a need for funds that our department does not have and I know that is why Alderman DeVries requested that money. I do not believe that these monies could come out of this particular fund because this is on the School side and it is under their debt record as well. I don't think we should be taking money off of the School side and putting it on the City side. Development impact fees apply to schools and fire stations and that is why there would be some confusion, I think, if you took it from one side to the other.

Alderman Lopez asked, Frank, the items that are listed here as decreases have all of those items been taken care of as far as fixing the Southside lighting, etc.

Mr. Thomas answered that is correct. These are all close outs of various projects.

Alderman DeVries stated I just wanted to ascertain the same thing. You are saying the Southside lighting would be a close out but yet the initial fund balance was at \$2,000 and only \$1,500 was expended on the project. I am just wondering...I know we are talking about a 1994 project and you probably have no recollection but I just want to make sure that was a completed project.

Mr. Thomas replied I have to go based on my staff. My staff has worked with the Planning Department to identify these as close out projects. I can further pursue this issue but I have to go on the presumption that what you are seeing there is correct and they are close out projects.

Alderman DeVries asked so if it is found not to be a completed project would it be shifted from this amount after we adopt the resolutions tonight it would be taken whether it is closed or not, correct.

Mr. Thomas answered I can check into it and can come back if you want and make an adjustment at another Board meeting.

Alderman Gatsas asked didn't we give the School District \$400,000 for the projects.

Mr. Thomas asked for what projects.

Alderman Gatsas answered for the projects we are spending \$85,000 in architectural fees for.

Mr. MacKenzie stated if I may jump in there were several projects ranging from the Bakersville addition to the Memorial audio/media center improvements but the total is over \$3 million of improvements just for this fiscal year.

Mr. Thomas stated that is correct and I do have a breakdown of that back at my seat. Those are all of the school improvement projects for this year.

Alderman Gatsas asked when you say this year, this fiscal year that we are in now.

Mr. Thomas answered FY03, that is correct.

Alderman Gatsas stated so what you are telling me is the architectural drawings that we did in FY02 for these projects in FY03 we weren't budgeted for.

Mr. Thomas answered there was a budget originally of \$250,000 to do the engineering for the FY03 projects. Again, we get early start-ups for those projects and we try to get them started the previous year. Out of that \$250,000 that was allocated there was \$135,000 in cash maintenance money that was being utilized originally for the architectural engineering services, which got deleted from the budget.

Alderman O'Neil stated I am a little bit confused. Do we have the right year? Is that the problem here? Is it FY03 CIP projects? Is that why it is somewhat confusing? It is to me. I am looking at these as FY03 projects, not FY02 projects.

Mr. Thomas replied they are FY03 projects that are under construction now. The funding was...

Alderman O'Neil interjected I guess the money should be going to the FY02 CIP.

Mr. Thomas stated I see what you are saying.

Alderman O'Neil stated I think the confusion is that it is the wrong year.

Mr. MacKenzie stated because a lot of these projects needed to be started before the fiscal year started, these were expedited in FY02.

Alderman O'Neil asked how can they be expedited.

Mayor Baines asked from FY01 into FY02.

Mr. MacKenzie answered into FY02. They were originally part of the FY03 capital budget. The Board wanted to start before July 1 so in April of this year they were amended and expedited into the FY02 budget.

Alderman O'Neil asked so when we expedite it is not for the fiscal year coming forward.

Mr. MacKenzie answered that is correct.

Mr. Clougherty stated the way you expedite it, Alderman, is you amend the current year's budget to get it done during the current year. You are not increasing the amount of borrowing because it is the same number.

Mayor Baines stated you are not increasing the amount of borrowing but from an accounting viewpoint it needs to go into the year in which you start the project.

Mr. Clougherty replied right from an authorization standpoint otherwise you couldn't start the project until the fiscal year begins.

Alderman O'Neil stated I have been here a few years and that is the first time I heard that one.

Mayor Baines replied well we learn something every day in this building.

Alderman Gatsas stated in the last half-hour we have found \$341,000 in CIP funds that have been lying around since 1994. We found \$255,000 to help the budget process. We found another \$86,000 to help this process and I think a few months ago when we were looking for funds for Derryfield Park there wasn't anything available. We weren't going to find a nickel in CIP. Now I just have one question, does this conclude all of the funds so that we all can participate in understanding where we may find funds and resources for various projects that we may have as a pet project for all 14 Aldermen to look at?

Mr. MacKenzie replied the \$86,000 that you see here there is a process between the Highway Department and the School Board for closing out projects and balances from those projects do go towards other school projects so that could not have been used for the project that you are thinking of – Derryfield Park. If you are looking at the \$255,000, I am not sure which specific projects were included in that amount but I know that we did review a large list of projects that had not been started. They were all still viable projects but at this time the Mayor is proposing that you reallocate those projects because of the budget crisis.

Alderman Gatsas asked so we voted on something to reduce \$255,000 in CIP funds that was the sacred cow when we were doing the budget but now we are cutting it and we have no idea what we cut.

Mayor Baines replied I don't think that is what he said.

Alderman Gatsas responded that is what he just said. He said we cut funds in CIP.

Mr. MacKenzie stated I am not sure if you have the list that was handed out and I haven't seen it yet but we did review all of the available cash projects in CIP. I know the Mayor's Office reviewed each one of those to determine which ones could be cut. None of these are easy decisions. When you start looking at chronic drain and taking money out of chronic drain...the Board has had priorities for chronic drain improvements in the past. It is a policy decision of the Board as to whether you want to reallocate those funds from one needy project to another.

Alderman Gatsas stated let's talk about building revitalization, which is the biggest one. What are the cuts there? What are we not doing building revitalization for \$155,000 that needed to be done during the budget process?

Mr. MacKenzie stated during the budget process that was an active project. That was intended to help take vacant buildings in the City, particularly those buildings that could not meet code, and provide some incentive matching funds to building owners to reopen those buildings and bring them back on the property tax roles. That was an ongoing project but can be killed at this point based upon the Board's vote.

Mayor Baines stated again these are all going to the CIP Committee for review. These are only recommendations.

Alderman Gatsas asked didn't we vote on these.

Mayor Baines answered no. All of the CIP projects were referred to the CIP Committee specifically for review. We made the cuts in the departments, not officially the CIP projects tonight. We will have a chance to review all of these projects and there may be a different way to go at reaching that number but we need to reach that number.

Alderman Shea stated I want to go down a different road. I want to commend the people that were involved in the renovation of Hallsville School. It is a tremendously improved building. For so many years I spent time there and when I went through it yesterday with Jim Davenport I can tell you that it was really quite emotional because that school at one time was not fit for the kids who went there. They endured it but today they have renovated that school. They have different areas for teachers and I can honestly tell you that the money that was spent for the renovation of that school was certainly money well spent. I want to thank Tim Clougherty and all of the people involved. It is just a wonderful, wonderful improvement to that school. I want to thank you.

Mayor Baines stated it is interesting because at one time they were talking about tearing down and closing buildings like that.

Mr. Thomas stated thank you very much. As you mentioned, Tim Clougherty, our facility engineer, has really been a benefit to the City.

Mayor Baines replied I concur. He is an extraordinary employee and we are very fortunate to have him.

Alderman Gatsas asked, Frank, what was the total cost for pre-approved projects for FY03 or expedited projects. What was the total cost for architectural for those?

Mr. Thomas answered approximately \$226,000.

Alderman Gatsas stated I am talking about the expedited projects that we did for FY03 and nothing to do with the RFP or the school projects or the \$70 million project for schools. My understanding was that it was \$250,000 total.

Mr. Thomas responded we have two different pots of money. There is one pot with \$250,000 in it, which is for the design-build projects. There was another pot of money to do the engineering for all of the FY03 projects, which include Bakersville kindergarten, Bakersville electrical, Southside Middle School, Hallsville Elementary School, McDonough kindergarten, and Memorial High School projects. For those that I just mentioned, the engineering/consulting breakdown comes to \$226,900.

Alderman Gatsas asked so where did the additional \$140,000 come from.

Mr. Thomas answered as I mentioned initially there was an allocation on the school side of \$250,000 for those projects out of which \$135,000 was cash, which was later reduced out. That wound up to be a shortfall of...with the \$86,000 it will total \$201,000. The difference in that is taken out of the actual construction funds.

Alderman Gatsas asked do you understand that, Mayor.

Mayor Baines answered I understand everything that Frank Thomas says. Could you clarify that Frank?

Mr. Thomas stated again we had over \$3 million worth of improvement projects. Out of that the architect/engineering fees totaled \$226,000. There was initially a budget set-up to cover the architect/engineering fees of \$250,000.

Alderman Gatsas stated I am going to interrupt you only so that I get a clear understanding. That \$250,000 that we did for the RFP for the design-build is a different subject?

Mr. Thomas replied that is correct.

Alderman Gatsas asked so there are two pots of \$250,000.

Mr. Thomas answered that is correct. Out of the \$250,000 that was allocated to do FY03 projects, \$135,000 was cash. That was reduced out of the pot when the School District redid their budget or reallocated their funds.

Alderman Gatsas asked so in other words the City was taking the assumption that the School District was putting in \$135,000. Is that the assumption?

Mr. Thomas answered to make up the total \$250,000, correct.

Alderman Gatsas asked so the School District is not putting in the \$135,000 that we understood when we did the budget.

Mr. Thomas answered they took out the \$135,000 in cash maintenance money. What we did was make up the difference out of the bond appropriation for the improvements.

Alderman Gatsas asked so what I am hearing is that we are at about...on \$3 million worth of projects we are at almost 7% for the design of those projects. Doesn't that seem extremely high to you?

Mr. Thomas answered no, not at all. You are usually somewhere in the 5% to 10% range on designing projects.

Mayor Baines stated I would like to have a motion to refer this to Committee so we can discuss it again.

On motion of Alderman DeVries, duly seconded by Alderman Garrity, it was voted to refer the resolutions to the Finance Committee.

AA. Report of Committee on Traffic/Public Safety advising that it has approved a request to close a portion of Lowell Street from Elm Street up to and including North Church Street on Saturday, October 12, 2002 from 10 AM until 10 PM in conjunction with the First Annual Rocktoberfest under the direct supervision of the City Clerk, Fire, Highway, Police, Traffic and Risk Departments.

Alderman Guinta stated the City Clerk had requested that this be removed so there could be an amendment made. I would ask that Deputy Clerk Johnson further explain.

Deputy Clerk Johnson stated the Clerk requested that this item be removed. The Committee is advising that they had approved a request to close a portion of Lowell Street and the time

that is indicated on there is actually going to go back to the Committee because there is a new request in to extend that period from Friday evening to Sunday morning. I just wanted the Board to be aware of that. You can accept the report as submitted but I just wanted the Board aware that the street will probably be closed for a more extended period than what the report reflects.

On motion of Alderman Guinta, duly seconded by Alderman Thibault, it was voted to accept, receive and adopt the report.

Alderman Wihby asked, your Honor, you send you were sending some stuff back to the Committee and you asked for a motion but are you sending all of K back to the Committee. There are like 10 items there.

Deputy Clerk Johnson answered we are on item AA, K is going to the Committee on Finance.

Mayor Baines stated that is where it was going before it was pulled off. We just delayed its movement.

Mayor Baines presented nominations as follows:

Police Commission

James McDonald, Sr. to succeed himself, term to expire September 15, 2005

On motion of Alderman Osborne, duly seconded by Alderman Pinard, it was voted to suspend the rules and confirm the nomination.

Police Commission

John Tenn to succeed Gil Vaal, term to expire September 15, 2005

On motion of Alderman Wihby, duly seconded by Alderman Gatsas, it was voted to suspend the rules and confirm the nomination.

Airport Authority

Robert Pariseau to fill the unexpired term of Robert Bossie, term to expire March 1, 2004

On motion of Alderman Garrity, duly seconded by Alderman Wihby it was voted to suspend the rules and confirm the nomination.

Zoning Board of Adjustment

Mark Haddad to fill a vacant alternate position on the Zoning Board of Adjustment, term to expire March 1, 2005.

On motion of Alderman Wihby, duly seconded by Alderman Forest, it was voted to suspend the rules and confirm the nomination.

On motion of Alderman DeVries, duly seconded by Alderman Thibault it was voted to recess the regular meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

OTHER BUSINESS

A report of the Committee on Finance was presented recommending that Bond Resolutions:

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Hundred Seventy Five Thousand Dollars (\$375,000) for the 2003 CIP 411403, South Willow FS Reroofing & Masonry Repairs Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Seven Hundred Thousand Dollars (\$700,000) for the 2003 CIP 411403, Cohas Brook Fire Station Project.” and

Resolutions:

“Amending the FY1994, 1995, 1996, 1997, 1998, 1999, and 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Eighty Six Thousand Seventy One Dollars and Thirty Three Cents (\$86,071.33) for the CIP 811202 Architecture/Engineering Facilities Capital Planning Project.”

“Authorizing the Finance Officer to effect a transfer amount of Eighty Six Thousand Seventy One Dollars and Thirty Three Cents (\$86,071.33) from various CIP bond projects to the 2002 CIP 811202 Architecture/Engineering Facilities Planning Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thousand Dollars (\$100,000) for the 2002 CIP 714402 Sidewalk Improvement Program.”

“Amending the FY2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Nine Thousand Four Hundred and Seventeen Dollars (\$9,417) for FY2003 CIP 713303 - South Willow Street Area Improvements.”

“Amending the 2003 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thousand Dollars (\$100,000) for the 2003 CIP 612303 Convention and Visitors’ Bureau.”

“Authorizing the Finance Officer to effect a transfer of Two Thousand Dollars (\$2,000.00) from Civic Contributions to the Henry J. Sweeney Post.”

“Authorizing the Finance Officer to effect a transfer of Twelve Thousand Two Hundred Ten Dollars (\$12,210.00) from Contingency to the City Clerk Budget for the Election Workers’ Rate Increase.”

“Authorizing the Finance Officer to effect a transfer of Thirty Four Thousand Dollars (\$34,000.00) from Contingency to the City Clerk Budget for the Election Expenses.”

ought to pass and be enrolled.

Alderman Shea moved to accept, receive and adopt the report. Alderman Sysyn duly seconded the motion.

Alderman Gatsas asked on the authorization for \$34,000 for election expenses do we have a number yet of exactly what that was. I know that some of the wards that I had toured on Tuesday were trying to save the City some money by not having the full complement of people there.

Deputy Clerk Johnson answered I believe the amount is still going to be the same.

Mayor Baines asked is the whole \$34,000 needed because Alderman Gatsas noticed that some people were trying to bring about some efficiencies.

Clerk Bernier answered that is correct and we did save some money but we are afraid that the cost is going to be higher in September. We need to add extra staff for the September and November elections.

Deputy Clerk Johnson stated plus we have the cost of the ballots as a result of this election.

Alderman Gatsas asked how much was saved.

Clerk Bernier answered probably \$4,000 from this current election. We are going to need that money to address the election on September 10 and November 5. If there is anything left over, I will share that with the Board in the second meeting in November.

Alderman Gatsas asked if some of the wards were providing efficiencies for the City is there a reason why we couldn't find those efficiencies in all 12 wards.

Clerk Bernier asked for September 3.

Alderman Gatsas answered yes.

Clerk Bernier stated we are required by law to allocate so many ballot inspectors. They are having a difficult time filling those slots so it is premature at this time to tell you exactly what the savings are going to be on September 10 or November 5. On September 3, it is probably in the vicinity of \$4,000.

Alderman Gatsas asked does it take three each.

Clerk Bernier answered the law requires...for example in Ward 1 five each. Five Republicans and five Democrats and the Moderator fills those slots. The savings come when they can't fill those slots.

Alderman Gatsas asked so if the law says we need five...

Clerk Bernier interjected just for Ward 1 now, five and five.

Alderman Gatsas responded right if we needed five and five in Ward 1 and that is what the law says and we don't have enough we have broken the law but that is okay.

Clerk Bernier replied the Moderator does the best they can to fill those slots. The Republican and Democratic parties are responsible to provide names for ballot inspectors.

Alderman Wihby asked, Leo, are you saying that they need five ballot inspectors each.

Clerk Bernier answered five Republicans and five Democrats. It is allocated by a State statute. For every 1,500 registered voters they are required to have two Republicans and two Democrats.

Alderman Wihby asked ballot inspectors or Selectmen.

Clerk Bernier answered ballot inspectors.

Alderman Shea asked is that the largest ward in the City.

Clerk Bernier answered it is.

Alderman Shea stated under redistricting I thought that...

Clerk Bernier interjected redistricting goes by population, not how many registered voters.

Mayor Baines stated Ward 1 has the largest number of registered voters.

Alderman Shea asked is that unusual. Do the other wards have five each?

Clerk Bernier answered no. Your wards like 3, 5 and 7 have three each. The formula is spelled out in State law.

Mayor Baines called for a vote to accept, receive and adopt the report of the Committee on Finance. There being none opposed, the motion carried.

Mayor Baines stated before we go any further I was remiss in not asking the Board and the City Clerk to send a letter to Gil Vaal thanking him for his years of service on the Police Commission and wishing him a happy and healthy retirement from his position at the Sheriff's Department as well.

On motion of Alderman Pinard, duly seconded by Alderman Osborne, it was voted to send a letter of thanks to Gil Vaal for his service on the Police Commission.

Consideration of the request of the Airport for the finding of public need and for taking by eminent domain properties as follows:
2956 Brown Avenue, Manchester, NH; and
Lot Number 683-10, Brown Avenue, Manchester, NH
such request having been presented, with due notices given, at a public hearing held by the Board of Mayor and Aldermen on August 27, 2002.

Alderman Pinard moved to find that there is a public need for the acquisition of said properties for airport projects and to authorize the City Solicitor to acquire, by eminent domain if necessary, any such properties stated. Alderman Forest duly seconded the motion.

Alderman DeVries stated I just want to ask Kevin Dillon a question. I understand that the second parcel in this eminent domain process is possibly negotiating a settlement with the Airport. I am wondering what the absolute deadline is going to be for that individual to finalize his purchase and sales agreement before this process would preclude it.

Mr. Dillon answered we have reached a tentative agreement on 683-10, which is progressing. On 2956 we reached a tentative agreement last Friday. We have prepared what we call a memorandum of understanding that he has to sign by this Friday accepting the terms. If he accepts those terms we will progress that to legal documents. He would be required under that agreement to sign a purchase and sale by September 15.

Alderman DeVries asked and he has been notified by what process. Through his attorney or through certified mail of these deadlines?

Mr. Dillon answered his attorney was notified and he was personally notified by the Airport and the Airport personally met with him and reviewed the documentation.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

Copy of a communication from Mayor Baines requesting the Board review action taken on July 16, 2002 relative to approval of a lease agreement between the City and Members First Credit Union for the placement of an ATM machine in the City Hall West Wing.

Mayor Baines asked Mr. Clougherty to explain the situation and his concerns.

Mr. Clougherty stated Members First Credit Union used to be the City's municipal credit union and it was comprised only of City employees. It has since branched out to include any member of the general public and is now no longer just a City's employee credit union. It is now a full financial institution as a credit union. Our concern here is that if you are going to open up the availability of an ATM machine that it should be bid. There should be an RFP process to allow like financial institutions to have the opportunity to come in and respond to an RFP for that service.

Alderman Wihby asked, Kevin, did the one at the Airport have more than one bid.

Mr. Clougherty answered I believe it did.

Alderman Wihby asked what was the high bid or can't I ask that.

Mr. Dillon replied I believe we had two bids but quite frankly I don't know off the top of my head...I can't remember exactly what the dollar amounts were. The structure of the bid essentially is that the Airport gets a transaction fee for every transaction that is conducted through the ATM's. There are three ATM's at the Airport.

Alderman Wihby asked are they all by the same bank.

Mr. Dillon answered yes. If I recall the bids were by Citizens Bank and Bank of New Hampshire. Bank of New Hampshire won the bid.

Alderman Gatsas asked the contract that we have with the ATM machine that is going in doesn't have a transaction fee coming to the City does it.

Clerk Bernier replied it has a rental fee. It is my understanding that there is going to be a monthly stipend of \$100 for the machine to be placed in the West Wing of City Hall.

Alderman Gatsas stated can I ask a question of the City Solicitor. Does he believe that it needs to go out to bid?

Solicitor Clark replied legally no it does not have to go out to bid. What you have here is you are leasing space to a person who has requested it whether it be a bank or anybody else.

The City is not purchasing a service here. The City is not paying for anything. They are paying us. We only have to go out to bid when we are buying something.

Alderman Gatsas asked so we have the Finance Officer telling us we are supposed to go to bid...

Mayor Baines interjected no he is just raising a concern and because it had been raised I thought it should come back to the Board to make sure that at some point down the line if somebody said well how come we didn't go out to bid and why wasn't the issue raised that we did discuss it. We can move forward if the Board so desires.

Mr. Clougherty stated I guess my concern is that we are purchasing a service. Just as we did at the Airport we are bringing in an ATM machine and we are going to make that service available for the general public and we should be consistent and bid it out.

Solicitor Clark stated excuse me but the City is not paying any money for this. We are not buying anything. It is not a purchase.

Mayor Baines stated again that is the issue I was dealing with. I did review this with the City Solicitor and he said it was not required and this banter went back and forth and I said this belongs back at the Board. Mr. Thomas wants to weigh in on this.

Mr. Thomas stated I happen to be on the Board of Directors of the Members First Credit Union and when this request came to us we actually looked at it as a losing proposition. You have to keep in mind that this is not going to be a high volume location like the Airport. This is going to be basically a five day a week operation for the convenience of the City employees. Yes, there may be a person off the street coming in to pay a parking ticket or whatnot that may take advantage but you are not going to find people wishing to pay their property taxes through this ATM machine. Again, it was being provided as a service for City employees because the Members First base is still the City of Manchester employees.

Alderman O'Neil stated I really don't want to get involved in the argument here but this is at least the sixth time in recent weeks that items have gone through Committee, come to the full Board and all of the sudden there is new information. I guess my whole point is we have to get our act together. I have been on the end of this several times in the Committee on Administration. It is not fair to the Committee. They spend time...Alderman Thibault I don't know if you approved it once or you tabled it until you got more information but I think it took a couple of Lands & Buildings meetings and then when it comes to the full Board all of this new information comes out. That is my issue. Not specifically with this item but just in general. Departments have to read Committee agendas coming up and get someone there voicing the department's agenda at the Committee meeting, not at the full Board meeting.

Mayor Baines stated that is fair.

Alderman Wihby stated I know at one time everybody had an account with them because they had to set it up for direct deposit. I guess when I read this my feeling was that it was basically to help out the employees who worked in this area rather than making any money on the deal. I figured it would be there for them to use because most of the accounts are with Members First. Has that changed? Have they all moved out of Members First?

Mayor Baines replied not that I am aware of.

Alderman Wihby stated I guess that is how I looked at it. If they had asked to have it for free I probably would have voted for it for the employee's sake because I don't think there is really going to be a lot of outside members using this. I couldn't see why it came back because it went through the first time.

Mayor Baines replied because this debate was going on and I felt the responsibility to bring it back. If the Board is so inclined after hearing the concerns to have it move forward, I suggest you move to receive and file the communication.

On motion of Alderman Thibault, duly seconded by Alderman DeVries, it was voted to receive and file this communication.

Communication from Alderman DeVries requesting the Board address funding for a consultant to review school impact fees at an estimated cost of \$10,000.00 through the Planning Department.

Alderman DeVries stated we covered this turf briefly earlier this evening. We are hunting for \$10,000 for the impact fee analysis, which needs to be done. This was brought up by the Planning Board. It has been brought up by the Board of School Committee as well. I am hoping that somewhere tonight we can help the Planning Department find the \$10,000 to pay the consultant so we can move forward on this.

Mr. MacKenzie stated we did indicate to the Planning Board that we didn't know where we could find \$10,000 right now and I think the Planning Board was very interested in it and that is why they brought it forth to the Board.

Alderman Wihby asked don't the impact fees go to the School Department. Isn't that one of the revenues that they count?

Mr. MacKenzie answered yes. It goes to pay towards debt service.

Alderman Wihby asked so why wouldn't they pay for it. I mean it is to their advantage to do the study because they are going to get more money out of it.

Alderman DeVries stated I thought when Mr. MacKenzie spoke to this earlier this evening he said we could not use school funding because part of the impact fee also goes for Police, Fire, road way improvements, sewer, etc. It is not just a school impact fee. Is that not correct?

Mr. MacKenzie replied that is correct. It is not 100% school. It is probably, if you looked at the numbers roughly 75% schools and 25% for the Fire Department. A portion of it could perhaps come from the School Board.

Mr. Clougherty stated I was going to make the same point. It is not exclusively for the schools. It is for Fire as well.

Alderman Shea stated for the benefit of the people on the Board I have done a little bit of research and if you will indulge me for a few minutes, if one were to look at and I guess I am going to ask a few questions tonight regarding this but when we had a zoning ordinance for the City, 13.01 Authority and Purpose, it says that impact fees “these provisions are established pursuant to New Hampshire RSA 21:5.” If one looks at Lands and Buildings there is a section there for impact fees. Before I go into that, one of the things that I would like to ask Mr. MacKenzie is we have a community improvement program and we don’t have a capital improvement program but can we still charge impact fees because we do not have a capital improvement program, Bob?

Mr. MacKenzie replied yes.

Alderman Shea stated now our zoning ordinance, Article 13, lists impact fees and it defines an impact fee as being and I quote “a fee or assessment imposed upon development, including subdivision, building construction or other land use change in order to help meet the needs occasioned by the development for the construction or improvement of capital facilities owned or operated by municipalities including and limited to water treatment and distribution facilities, waste water treatment disposal facilities, sanitary sewers and so forth. My question, Bob, is whose responsibility is it to enforce annually and I am speaking annually, the ordinance in terms of collecting impact fees? Isn’t that your department’s responsibility?

Mr. MacKenzie replied no. Every project that comes in and applies for a building permit, if they are creating a new dwelling unit they apply to the Building Department and the fee is paid to the Building Department and then those funds are transferred to the Finance Department to deposit into an account.

Alderman Shea asked but how about the enforcement of this.

Mr. MacKenzie answered the enforcement is if they do not pay the fee they do not get the certificate of occupancy for the property.

Alderman Shea asked isn't it your department's responsibility to enforce that.

Mr. MacKenzie answered no. The Building Department collects, enforces and makes sure that the fees are paid.

Alderman Shea asked well who has been doing that for the last few years.

Mr. MacKenzie answered the Building Department.

Alderman Shea asked solely the Building Department.

Mr. MacKenzie answered yes.

Alderman Shea stated so they have been getting impact fees from all of these different construction projects.

Mr. MacKenzie replied yes.

Alderman Shea asked and that is listed in their annual amount.

Mr. MacKenzie answered it doesn't come in as a revenue because it is an impact fee and State law requires that you set it aside for the specific purposes intended. That money does come in and it is collected and set aside for those purposes.

Alderman Shea asked if that is the case why wouldn't the impact fee charged then be picked up by the Building Department if they are responsible. Why would it be passed off to the Planning Board or to the Commissioners?

Mr. MacKenzie answered it is State law that talks about who should be looking at creating impact fee ordinances. There is a difference between who administers them and who creates them. State law does talk about the Planning Board crafting impact fees and recommending that to the Board of Mayor and Aldermen as zoning changes.

Alderman Shea asked which RSA is that, Bob.

Mr. MacKenzie answered the RSA is generally 675 through 677 outlining the land use statutes and the impact fees related to the innovative zoning fees or innovative zoning ordinances in those RSA's.

Alderman Shea stated I am looking at it now and I am not sure where that is because I have it opened to that.

Mr. Clougherty replied I believe it is Statute 674:21(V).

Alderman Shea stated it says “in order for a municipality to adopt an impact fee ordinance it must have enacted a capital improvement program.”

Mr. Clougherty replied that is our CIP.

Alderman Shea asked do we have a capital improvement program here.

Mr. MacKenzie answered yes.

Alderman Shea asked what do we call it.

Mr. MacKenzie answered CIP, the Community Improvement Program, which was originally defined to include both the capital improvement program and special projects and all Federal funds.

Alderman Shea asked so our CIP program is really capital improvement and there is no distinction between the Community Improvement and Capital Improvement. I thought we grouped everything under Community Improvement.

Mr. MacKenzie stated our CIP qualifies under State statute as a capital improvement program and it is consistent with those statutes.

Alderman Shea stated I am not in favor of a \$10,000 fee for a consultant to look at impact fees. I think that we should have people in our Planning Department do that, your Honor. We are trying to save money obviously and if we add another \$10,000 we are just defeating the purpose of our earlier discussion. In deference to my colleague here...others can disagree but I don't agree with this.

Mayor Baines stated there isn't even a motion on the floor.

Alderman Lopez stated I just want to clarify in my own mind...on the impact fee to the City of Manchester when construction comes in, whose responsibility is it to insure that the ordinances are updated. Is that the Building Department or your department?

Mr. MacKenzie replied not the State law but the ordinance that was adopted indicates that the Planning Board should be reviewing them every year.

Alderman Lopez stated it says, “shall annually review.”

Mr. MacKenzie replied yes.

Alderman Lopez asked when was the last time we did that.

Mr. MacKenzie answered not since it was adopted in 1995.

Alderman Lopez asked so what are we doing about it.

Mr. MacKenzie answered I think that is why Alderman DeVries has brought in the request, to make sure it is updated. You do have to make sure that it meets a lot of requirements. That is why there are specialists that deal with impact fees for communities because impact fees are tested fairly frequently in court and you have to have done your homework in order to be upheld in court.

Alderman Lopez stated there has been some discussion on the School Board side in reference to this naturally that we are not getting enough from impact fees compared to some other communities. Would you comment?

Mr. MacKenzie replied I would be happy to. It was a balancing act. You have to be careful that you don’t, somehow, threaten the housing industry in the City or make housing too expensive because housing costs have gone up. The original proposal actually was reviewed by the Manchester Homebuilders and NH Homebuilders and was considered a reasonable compromise based on the data. There are communities that do charge more, such as Nashua, but there are many communities that charge less or do not charge a fee in NH.

Alderman Lopez asked so what would your recommendation for this Board be.

Mr. MacKenzie answered it is the Planning Board that will be reviewing it and we would need a consultant to make sure that any increases over the current amount would be justifiable based upon the growth in the City.

Alderman Lopez stated when we were talking about the money that was going to be transferred to Frank Thomas, there could be \$10,000 in that money because you indicated at that time we couldn’t do it and recently you said that 75% of that money could be used.

Mr. MacKenzie replied the difference is that those are bond balances. This consultant fee is not really part of a larger construction project. I could confer with Kevin Clougherty but I doubt if Bond Council would say that that is a bondable item because that is a planning item and it would be better to utilize cash for those purposes as opposed to bond.

Alderman Lopez stated well I just think we have to do it somewhere along the line. Seven years is a pretty long time.

Mayor Baines asked can we refer this to a Committee for further study. We don't have the funds available. There are no funds available that I am aware of right now.

Mr. MacKenzie answered I was just talking with Mr. Clougherty and perhaps you could refer it to the two of us and we could take a look at it.

Alderman Lopez voted to refer this item to the Finance Director and Planning Director to review and report back to the Board at the next meeting. Alderman Sysyn duly seconded the motion. Mayor Baines called for a vote. The motion carried with Aldermen Shea and Forest duly recorded in opposition.

Communication from Alderman Lopez asking that the Board take an action to request that legislation be introduced to allow communities to charge up to \$10.00 per vehicle for road improvements, rather than the current \$5.00 that is presently allowed under RSA 261:153 4:1 VI.

Alderman Lopez stated as I indicated in the letter and maybe Frank Thomas can come up but it seems like we keep allocating and budgeting money and giving it to them and at the same time we take it away. This has been going on for the last two or three years that I have been here. This is just an amendment for the delegation to submit. They have a filing period of September 16 until October 4 and then after the election the new representatives have a filing period of November 13 through December 13. As I indicated he has about 400 miles to do in the City and at the rate we are going we will probably get it done every 56 years or something like that. It does not do him any good to come in and ask for money and we give it to him and he can't plan. Some Aldermen have discussed this and tried to find money during the CIP. I would like Frank to comment on my communication to him.

Mr. Thomas stated I support this proposal 100%. As the Alderman mentioned, if we continue to fund at the level that I had this year of about \$550,000 we are looking at somewhere around 40 to 45 years as a cycle for resurfacing streets where it should be every 25 years. If we can get this legislation passed and have \$10 be charged on the auto registration for road work instead of the \$5, obviously that will double the pot of money that is going to be made available to my department and we will certainly make good use of it. I support it 100%.

Alderman Shea stated the Mayor is adding \$5. Would this be in addition to that?

Mr. Thomas replied yes. What the Mayor is proposing in his budget adjustment is for parking related issues. Right now we have a fund...an additional charge of \$5 that is earmarked for road improvements.

Alderman Shea stated the Mayor is proposing that we add \$5 to the registration. Is that correct?

Mr. Thomas answered that is correct.

Alderman Shea stated to make up for some sort of parking revenues that we are not receiving or whatever right.

Mr. Thomas answered yes.

Alderman Shea stated now what Alderman Lopez is suggesting is that the legislation change the \$5 vehicle fee to \$10 so that when we send our registration up to the State we pay an extra \$5 to make-up for the problems here that we have with the budget.

Mr. Thomas replied there are two different \$5 fee increases being proposed.

Alderman Shea stated we are hitting the taxpayers for \$10. \$5 now and \$5 later. My point is that the \$5 he is proposing has to pass through the legislature and we would then get that back in the form of \$960,000 and we could use that exclusively for paving roads.

Mr. Thomas answered that is correct.

Mr. Clougherty stated I want to make the point that the \$5 that the Mayor is talking about there is already legislation in place to do that. It is just the piece that Frank is talking about that the State legislation would have to change.

Alderman Shea stated in essence though if both of them were to be actualized it would be a \$10 increase.

Mr. Clougherty answered yes.

Alderman Lopez moved to request that the Manchester delegation introduce legislation to all communities to charge up to \$10.00 per vehicle for road improvements, rather than the current \$5.00 that is presently allowed under RSA 261:153 4:1 VI. Alderman Osborne duly seconded the motion.

Alderman Gatsas stated I have a question for Frank Thomas. Of the \$450,000 that was allocated by the \$5 fee now for road resurfacing...

Mr. Thomas interjected it is actually \$550,000 in this year's CIP.

Alderman Gatsas replied okay the \$550,000. Was any of that money taken from you during the budget process?

Mr. Thomas responded no it wasn't.

Mayor Baines called for a vote on the motion and requested a roll call vote. Aldermen Wihby, Sysyn, Osborne, Pinard, O'Neil, Lopez, and DeVries voted yea.

Aldermen Gatsas, Guinta, Shea, Garrity, Smith, Thibault and Forest voted nay. Mayor Baines broke the tie with a yea vote. The motion carried.

Alderman Osborne stated I have been talking about this particular situation for over a year. What this does is it is \$550,000 allocated for repaving and it is earmarked so it can't be touched. We always used to add another \$400,000 or \$500,000 from the budget into that fund but then we always went after it again. So another \$5 in registrations a year for any constituent if they really look at it to have \$1,100,000 in repaving they are going to see a lot of things done out there. I think everybody can afford that and I think everybody wants to see something done with their roads. I have been on this for quite awhile and I am glad it was brought up.

Mayor Baines stated one of the things you do hear a lot from constituents is that they have been waiting a long time for road resurfacing. Frank, can you come back up briefly to talk about how long people have to wait. I know it came up during the budget process when we were cutting that money out that the roads simply do not get repaved in a timely manner and that really destroys the infrastructure of our roads throughout the City.

Mr. Thomas replied that is correct. You are better off to invest in maintenance early on. If you can seal a crack early on you can delay resurfacing a street. If you don't resurface a street at the right interval now you are talking reconstruction and that is very expensive. Right now, we are able to do a mile of road for \$65,000 so we get a lot of resurfacing for the buck but unfortunately when we are down in the \$500,000 range and we have 400 miles of street we are looking at, as I mentioned earlier, somewhere around 45 years as a cycle life on resurfacing streets. Streets should be resurfaced every 25 years. You can see that we are not keeping up with the demand and as a result we are ending up with more and more streets that we no longer can resurface and we really need to reconstruct at a much greater expense to the residents of Manchester. It does make sense to sink money into this portion of our infrastructure so that we don't wind up with hundreds of miles of roads that need to be reconstructed.

Alderman Osborne stated everybody has to realize that this is \$1.1 million that is earmarked and cannot be touched. It is strictly for resurfacing. That is the main thing here.

Mayor Baines stated also this is enabling legislation and it would still have to come back to the Board. We are not authorizing that \$5 this evening. It would be given to this Board or future Boards to decide whether they want to charge an extra \$1...it wouldn't necessarily be \$5. Maybe it would be nothing if we can see our way clear to appropriate the kind of money that Frank is talking about. This is only enabling legislation. It does not require us to do it and I would hope that we would not have to do it but we have to look after the roads in the City and make a commitment to those who use the roads to pave the roads.

Alderman Shea stated I sort of have in the back of my mind a grudge here because at one time we used to use a certain amount of rooms and meals money to pave roads. I realize that we used it a couple of times and Kevin Clougherty can jump in but my concern now is that money cannot be used for anything but a specific purpose for the next 30 years. My concern is that when we start nickel and diming or quartering and dollaring people and we have that fund that should have been used in the proper manner in my humble opinion, that is where I become a little bit aggravated because now we really should be paving roads but when we are taking a large chunk of money - \$3.2 million every year and paying a mortgage and we are saying in essence that we have to raise the amount of money that people have to pay to register their cars because we can't use that money for any other purpose, that gripes me and no other community has to do that but our community. That is my little editorial.

Mayor Baines responded I don't know if that is totally true but anyway the motion has passed and we need to move on.

Mayor Baines called for a two-minute recess.

Mayor Baines called the meeting back to order.

Communication from Kevin Dillon, Airport Director, seeking authorization to negotiate and execute a 15-year ground lease of approximately 4.8 acres across from the Post Office located on Goffs Falls Road with Autofair for storage of approximately 600 new vehicles.

Alderman DeVries moved to authorize the Airport Director to negotiate and execute a 15-year ground lease with Autofair, subject to the review and approval of the City Solicitor. Alderman Osborne duly seconded the motion.

Alderman Wihby asked are these Airport cars or Autofair's cars.

Mr. Dillon answered they belong to Autofair.

Alderman O'Neil asked, Kevin, is that where we have been dumping snow.

Mr. Dillon answered no.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

Communication from Jay Taylor, Economic Development Director, requesting an expenditure of up to \$22,000 from communications antenna leases on the Hackett Hill water tower for the purpose of continuing basic maintenance, operation and cleaning of French Hall while marketing activities proceed.

Alderman Sysyn moved to approve the expenditure. Alderman Thibault duly seconded the motion.

Alderman Gatsas stated I have a question for Jay Taylor. What is the total revenue that we get from that communication antenna?

Mr. Taylor replied on an annual basis it comes to about \$80,000 and as of the current moment we are splitting that 50/50 with UNH. I believe next year it goes down to 75%/25% in favor of the City and the following year 90%/10% in favor of the City and the following year we get it all.

Alderman Gatsas asked so that is \$40,000 for this year. How much is left in that account?

Mr. Taylor answered right now there is about \$49,000.

Alderman Gatsas stated I told you we would find that \$10,000, your Honor.

Mayor Baines asked is that for the playground.

Alderman Gatsas answered it could be for anything we want, I can tell you that or does it have to be allocated for something.

Mr. Taylor stated I would remind the Board that the action taken originally to set-up this non-lapsing account was that since the income was generated on Hackett Hill it would be used on Hackett Hill. Now obviously you can change that if you want.

Alderman Gatsas asked the cleaning that you are taking about in French Hall, what cleaning has to be done.

Mr. Taylor answered I don't believe that building has been cleaned since the Welfare Department used it last year for a shelter.

Alderman Gatsas asked are you saying that they didn't leave it in...

Mr. Taylor answered well I am not sure what the condition is but if we are going to put it on the market as we are proposing to do we need to make sure that the inside is reasonably clean before we do that. I think Building Maintenance had an estimate of roughly \$3,000 to do a one time cleaning of the building.

Alderman Gatsas asked what is the other \$22,000 for.

Mr. Taylor answered for heat and electricity to keep the building open or keep it operational at a minimal level while we are trying to market the building. The alternative is shutting it down and you know what happens to buildings when you turn the heat off. They deteriorate relatively quickly and we don't feel that is a prudent move given the fact that we are trying to put it on the market to sell it.

Alderman Gatsas asked it hasn't been on the market for sale.

Mr. Taylor answered no, not actively. We are now in the process of interviewing marketing firms to help us with that process. We talked to the first one this morning actually.

Alderman Wihby asked, Jay, how long is the lease that we have.

Mr. Taylor answered there are four of them. I believe two of them renew this year. The other two, I think, renew in the next year or two. They were five year leases with, I believe, three five year renewal options so they are potentially twenty year leases.

Alderman Wihby asked so the ones that are renewing, is that the option.

Mr. Taylor answered yes that would be the second five year option.

Alderman Wihby asked so they have the option, but we can't get rid of them.

Mr. Taylor answered right.

Alderman Shea asked, Jay, will there be a need for the Welfare Department to use this facility during the 2002-2003 year.

Mr. Taylor answered I guess that would depend on...if we are successful in selling the building the answer to that would be no.

Alderman Shea asked and if you are unsuccessful in selling it.

Mr. Taylor answered then it would be there but it is relatively difficult to try to market a building if it is occupied.

Alderman Shea stated so a decision would have to be made by the Board of Mayor and Aldermen.

Mr. Taylor replied that is correct.

Alderman DeVries stated I am looking to take Alderman Gatsas' line of questioning a little further because within your letter you are indicating that the intent is to use the funds on Hackett Hill. Within the legal documents does it say the intent or does it say the explicit use is to stay on Hackett Hill? Is there any flexibility?

Mr. Taylor replied the original premise under which I came in and requested a non-lapsing account be set-up was given that the income was generated on Hackett Hill and that we are going to have expenses from time to time to deal with up there that the money be used up there. Now, clearly the Board can change that and do something else but that was the original premise under which the account was set-up.

Mayor Baines stated so it was by vote of the Board and the Board would have to change that to alter that designation.

Alderman DeVries asked why would they have to change it if the language is only the intent is to use it there because that leaves it open to be used somewhere else. We don't have to formally make a change.

Mr. Clougherty stated I believe when you set-up one of these special revenue funds there is particular language that earmarks it for that particular purpose. If it is the desire of the Board to change it, I would ask that we be able to bring that in for the next meeting to make sure that the wording is properly done so that we follow the statute.

Alderman DeVries asked if a considerable amount of new construction is on Hackett Hill, which would be the new apartment units and the new residential units that have gone through the Planning Board, would that then qualify the consultant's fee for an update on the impact fee analysis.

Mr. Clougherty answered again I would like to go back and refer to the action that was taken by the Board to understand what that was specifically. It may in part be that a proportionate share could be used but I don't think you would be able to use all of it for that purpose because you would be doing it for the other parts of the City.

Alderman Forest stated this is the first time I am aware that we were planning on selling that property. I thought when the City got the transfer from UNH that it was for City use. When did this thing about marketing the building come up?

Mr. Taylor replied this was an action taken by the Board I am guessing back in the spring sometime.

Alderman Forest stated the only thing that I remember voting on since I have been on this Board was for Welfare to use it. I don't recall voting on anything that said we wanted to sell it. I am a little surprised at that.

Mr. Taylor replied I can't tell you the exact date, Alderman, but as I recall it was back in the spring that this Board authorized staff to go ahead and try to put the building on the market. We put out an RFP to get marketing companies to give us a hand with that and we are now in the process of interviewing three of them to try to select the right one. We will probably be coming back to this Board in the October timeframe to give you our recommendation.

Alderman Forest asked is there any way we can find out when we voted on this. I know that I voted to allow the Welfare Department to use it over this past winter.

Mayor Baines stated the Clerk will research that for you.

Alderman Lopez asked how long of a timeframe are we going to give this marketing firm to come up with some clients. If we give them too long it will just sit there all winter long.

Mr. Taylor answered I guess that is to be negotiated when we make the final selection.

Alderman Lopez asked have you had any inquiries.

Mr. Taylor answered we have had some inquiries but there are some other issues there. We need to make sure that we make the first occupant of that building, given that that building is at the front door of the development, we want to make absolutely sure that the quality that we have maintained for the top of the hill be carried out in that building. While we have had some inquiries, we have not been able to do much with that building given the fact that it was occupied during the winter. That is the reason we decided to go with a marketing firm to give us a hand to try to market it.

Alderman Gatsas stated, Jay, correct me if I am wrong but didn't we take some \$25,000 in the last six months out of this account for heat and maintenance.

Mr. Taylor replied no.

Alderman Gatsas asked what is the term of the lease for the antennas. From what month to what month?

Mr. Taylor answered there are four leases and I can't tell you...two of them expired in August of this year. The other two I am not sure what the month is but those are coming due in the next four to six months as I recall.

Alderman Gatsas asked so why is there only \$49,000 in that account if we haven't expended anything.

Mr. Taylor answered because we are splitting the revenue with UNH.

Alderman Gatsas replied right but if the revenue is \$80,000 and we are splitting it 50/50 and we are getting \$40,000...

Mr. Taylor interjected the original agreement said the first year of the agreement UNH got 75% and we got 25%.

Alderman Gatsas asked how many years ago was that.

Mr. Taylor answered March 1999 is when we acquired the property. As I recall the formula for the second two years was a 50/50 split. Year four, I believe is 75/25 in favor of the City. Year five is 90/10 in favor of the City and Year six and beyond the City gets it all.

Mayor Baines stated can I ask the Finance Officer to give an accounting of that particular account and send it out to the Board.

Mr. Clougherty replied sure.

Alderman Gatsas asked can we table this item then.

Mayor Baines responded I think we should approve this because that is something we have to tend to as we prepare for marketing and then we can get additional information. That is my recommendation.

Alderman Gatsas stated I understand but if it is \$3,000 to clean it I asked the question what is the other \$19,000 for and the answer was for heat.

Mr. Taylor replied heat and electricity and Frank can probably give you more information.

Mayor Baines stated Frank Thomas did an estimate of what it was going to cost to keep this facility operational.

Mr. Thomas stated that is correct. That is an estimate that we put together at Building Maintenance. As the Mayor mentioned, electricity. We have to keep the alarm systems

working up there for security. We have to keep the heat going and we are starting to get into the colder season. In order for Jay to market the property we asked ServiceMaster to put together a one-time budget for cleaning, which is approximately the \$3,000.

Alderman Gatsas asked when did we allocate the \$25,000 out of that fund.

Mr. Thomas answered I don't believe it came out of that fund. I think you are referring to the last budget when money came out of I believe contingency for the use of the Welfare Department to utilize the facility. At that time, some of that money did go to Building Maintenance to pay for the heat and electricity and security alarms, etc. That was in the last budget. In this budget we identified additional funds but they didn't get included. Quite frankly, there aren't any monies available except what Jay is requesting tonight.

Alderman Gatsas asked when did the Welfare Department vacate.

Mayor Baines answered I think it was around April 1.

Alderman Gatsas asked so why are we waiting six months to decide to put this on the market.

Mayor Baines answered we went out for an RFP in April after it was authorized by the Board. They received the RFP's and now they are sitting down and interviewing the respondents.

Alderman Gatsas asked it took six months for RFP's.

Mr. Taylor stated it took some time to get the RFP's out, to get the responses and to get the staff together to begin the interview process.

Mayor Baines called for a vote on the motion to approve the expenditure of up to \$22,000 from communication antenna leases on the Hackett Hill water tower for the purpose of continuing basic maintenance, operation and cleaning of French Hall. There being none opposed, the motion carried.

Communication from Frank Thomas, Public Works Director, requesting the Board accept State Hazardous Waste Clean-up funds, enter into a contract with the NH Department of Environmental Services, Waste Management Division for the Fall 2002 Household Hazardous Waste Collection project, and authorize the Public Works Director to execute such documents as may be required.

On motion of Alderman Shea, duly seconded by Alderman Smith, it was voted to approve the request, accept such funds and authorize the Public Works Director to execute such documents as may be required.

Resolutions:

“Amending the FY1994, 1995, 1996, 1997, 1998, 1999, and 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Eighty Six Thousand Seventy One Dollars and Thirty Three Cents (\$86,071.33) for the CIP 811202 Architecture/Engineering Facilities Capital Planning Project.”

“Authorizing the Finance Officer to effect a transfer amount of Eighty Six Thousand Seventy One Dollars and Thirty Three Cents (\$86,071.33) from various CIP bond projects to the 2002 CIP 811202 Architecture/Engineering Facilities Planning Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thousand Dollars (\$100,000) for the 2002 CIP 714402 Sidewalk Improvement Program.”

“Amending the FY2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Nine Thousand Four Hundred and Seventeen Dollars (\$9,417) for FY2003 CIP 713303 - South Willow Street Area Improvements.”

“Amending the 2003 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thousand Dollars (\$100,000) for the 2003 CIP 612303 Convention and Visitors’ Bureau.”

“Authorizing the Finance Officer to effect a transfer of Two Thousand Dollars (\$2,000.00) from Civic Contributions to the Henry J. Sweeney Post.”

“Authorizing the Finance Officer to effect a transfer of Twelve Thousand Two Hundred Ten Dollars (\$12,210.00) from Contingency to the City Clerk Budget for the Election Workers’ Rate Increase.”

“Authorizing the Finance Officer to effect a transfer of Thirty Four Thousand Dollars (\$34,000.00) from Contingency to the City Clerk Budget for the Election Expenses.”

On motion of Alderman O'Neil, duly seconded by Alderman Pinard, it was voted to suspend the rules and dispense with the reading by titles only.

Alderman Lopez moved that the Resolutions ought to pass and be enrolled. Alderman Sysyn duly seconded the motion.

Alderman Gatsas asked, Mr. MacKenzie, can you explain to me about the fourth one down.

Mr. MacKenzie answered that one is related to a negotiated agreement with Wal-Mart in terms of traffic impact fees. Generally other developers in that area have contributed towards traffic improvements in the South Willow Street area. That is receiving a contribution.

Alderman Gatsas stated I meant the fifth one down.

Mr. MacKenzie replied the fifth one down is the Visitor’s Bureau.

Alderman Gatsas responded yes.

Mr. MacKenzie stated I understand that is a match against the City's amount that the City is proposing. The City has put up \$100,000 for the Convention & Visitor's Bureau and this would be a match by the State against that money that the City has put up.

Alderman Gatsas stated it says it is amending it so are we amending that from another line on the CIP budget where we didn't have those funds there for the Visitor's Bureau.

Mr. MacKenzie replied yes. In essence this would come in under Table 1, which would be state and other private grants.

Mayor Baines called for a vote. The motion carried with Aldermen Wihby, Gatsas and Garrity being duly recorded in opposition to the Resolution dealing with Sweeney Post and Alderman Gatsas being duly recorded in opposition to the Resolution dealing with CIP 811202 Architecture/Engineering Facilities Capital Planning Project.

TABLED ITEMS

18. Communication from Jay Taylor, Economic Development Director, requesting to expend an additional \$5,000 in Manchester AirPark funds to complete appraisals related to the proposed Courthouse Square project for a total authorization of \$15,000 based on the lowest of the two proposals received.

This item remained on the table.

19. Report of the Committee on Bills on Second Reading recommending that Ordinance Amendments:
- “Amending the Zoning Ordinance of the City of Manchester by changing the zoning district of property currently zoned R-SM (Residential Suburban Multifamily District) to B-2 (General Business District) on the west side of Brown Avenue at the intersection of Hazelton Avenue.”
- “Amending the Zoning Ordinance of the City of Manchester by changing the zoning district of property currently zoned R-1B (Residential One Family District) to R-SM (Residential Suburban Multifamily District) on the east side of Brown Avenue at the intersection of Hazelton Avenue, extending to the Londonderry Town line.”

ought to pass.

On motion of Alderman DeVries, duly seconded by Alderman Pinard, it was voted to remove this item from the table.

Alderman DeVries stated I would like the Board to note that withdrawn is the petition for Map 712, Lot 3, which has been the larger and the controversial item, thus I would move that the rezoning take place on the other parcels in question.

On motion of Alderman DeVries, duly seconded by Alderman Wihby it was voted to amend the report by deleting Map 712, Lot 3 from the rezoning ordinance, and accepting the report as amended. None were recorded in opposition.

20. Discussion regarding non-affiliated wage and benefit package.

On motion of Alderman Lopez, duly seconded by Alderman DeVries, it was voted to remove this item from the table.

Mr. Hodgen stated the Board will recall that we discussed the wage and benefit package for non-affiliated employees at the last Board meeting and it was tabled because we did not know the cost for the non-affiliated package for Year 2. We did send out a memorandum to the Board on August 26, which outlines those costs. I have extra copies but perhaps if it will suffice the total cost for FY04 for the non-affiliated employees is \$319,728 and from that there is a health insurance savings of \$20,787 plus another health insurance savings when married couples pay for health insurance for the first time and that savings is \$16,775, which makes a net cost for FY04 for the non-affiliated employees City-wide of \$285,842. I think that was the missing piece of information at the last meeting.

Alderman O'Neil asked would any new employee coming in be required to go on the...I don't want to call it HMO but HMO.

Ms. Lamberton answered yes.

Alderman Wihby asked all of the money is already in their budget so they have to make-up the difference.

Mayor Baines answered yes that is correct.

Alderman Lopez moved to approve the non-affiliated package as presented by the Chief Negotiator. Alderman Thibault duly seconded the motion.

Mayor Baines called for a vote. There being none opposed, the motion carried.

NEW BUSINESS

Alderman Wihby stated just to follow-up, MCTV, we had that report from the committee that you formed. Where is that?

Mayor Baines replied it is at the School District. I believe we should move forward with that and I don't know what would need to take place to get the non-profit status adopted.

Alderman Wihby asked so for the next meeting can we have that...we took a lot of heat in here from people who came to speak and asking for that to happen.

Mayor Baines stated I will consult with the City Solicitor and outline the steps that we would need to take for us to move in that direction.

Alderman Lopez stated can I go back to Item 20. It was just brought to my attention...I would like to move to suspend the rules and ratify that tonight because if we don't this won't be ratified until October.

Mayor Baines replied we don't have to do that.

Deputy Clerk Johnson stated this is not a contract, however, I was going to ask the Board to revisit that item because an effective date was not established.

Mayor Baines asked what is the recommended effective date.

Alderman Wihby answered today.

Ms. Lamberton stated for the health insurance it needs to be October 1. All of the other stuff can be immediately.

On motion of Alderman Lopez, duly seconded by Alderman Wihby, it was voted to make the effective date for the non-affiliated package October 1 for the health insurance and September 4 for everything else.

Alderman Gatsas stated I would move to reaffirm Judith Thayer as my appointment for the Ward 2 School Committee Member.

In response to question, Deputy Clerk Johnson stated the Clerk had actually requested that Alderman Gatsas bring her name in again because at the time the Board took the action she was not a registered voter of Ward 2 as required by law.

Alderman Guinta duly seconded the motion.

Mayor Baines called for a vote. There being none opposed, the motion carried.

Deputy Clerk Johnson stated I have some items of new business. First of all there was a letter that we had submitted based on the actions that were taken yesterday by the voters and we had submitted the results. The yes votes did pass in terms of the Charter Commission. We have set the filing period from September 9 through September 20, 2002 and pursuant to law we would request that a special meeting of the Board be held next Monday evening at 6 PM to order the special election for the purpose of electing the Charter Commission membership.

Mayor Baines asked that would be like a two-minute meeting.

Deputy Clerk Johnson answered yes but it is required under the law.

Mayor Baines asked there is no way we can do it today.

Deputy Clerk Johnson answered no.

Mayor Baines asked you can't do it by phone poll.

Deputy Clerk Johnson answered no.

Mayor Baines stated okay then we will have a special meeting next Monday at 6 PM.

Deputy Clerk Johnson stated I have two other items that were distributed to the Board. First there is an ordinance, which the Clerk is requesting be taken up and that the rules be suspended and that it not be referred to any committees but be ordained this evening. The reason being it is a section of the Traffic Ordinance that was omitted when we submitted our revision, which included the towing. We would ask for a motion to suspend the rules and place it on its final reading at this time.

On motion of Alderman O'Neil, duly seconded by Alderman Pinard, it was voted to suspend the rules and place the ordinance on its final reading.

On motion of Alderman O'Neil, duly seconded by Alderman Sysyn, it was voted to read the ordinance by title only and it was so done.

“Amending the Code of Ordinances of the City of Manchester by inserting Section 70.40 Towing into Chapter 70 Motor Vehicles and Traffic.”

Alderman Thibault moved that the ordinance be Ordained. Alderman Forest duly seconded the motion.

Alderman Gatsas stated in reading through this it says that...

Deputy Clerk Johnson interjected this is what was on the books prior to the last action of the Board. It is just reinserting it back in. We have not changed any of the language.

Alderman Gatsas asked and none of the fees have been changed.

Deputy Clerk Johnson answered no. It is exactly as it had been. When we brought the revision in this section was omitted in error.

Alderman Gatsas stated can I ask for clarification from the City Solicitor. Tom, as I read this first sentence, “any company or person which tows a motor vehicle without the consent or authorization of the owner or operator of the motor vehicle shall not charge a towing fee in excess of \$50.” Does that mean that if ABC Towing Company tows my car, unless I tell them they can charge me \$60 they can only charge me \$50? Is that how I read that?

Solicitor Clark replied I don’t have that in front of me but that is what it sounds like. I believe that is true, Alderman.

Alderman Gatsas asked, Frank or Chief Driscoll, during the snow removal emergencies we hear screaming from people that the towing fees are much higher than \$50.

Solicitor Clark stated maybe I can help with that, Alderman. That is the storage charge, not the towing charge.

Alderman Gatsas replied no it is the towing charge.

Chief Driscoll stated I am not sure what you are looking at. I haven’t had an opportunity to see that but there is a special ordinance for winter snow emergencies. Under those circumstances, there are higher fees and they are significantly higher. Are you looking at the tow contract?

Alderman Gatsas replied I am just looking at an ordinance that is before us that talks about the towing fee.

Chief Driscoll stated at today’s Manchester Police Commission meeting we reviewed and are going to come forward in December with a new towing contract and I would really have to look at this and see how that whole thing interacts with this.

Mayor Baines responded why don't you do that and then report back to the Board or send a letter to the Board.

Chief Driscoll stated I think that would be the most appropriate thing to do.

Alderman Gatsas stated my question is that there is no towing that happens in excess of \$50.

Deputy Clerk Johnson replied there is and that is under a different section. There is another provision of the ordinance that says, notwithstanding that provision, that the City will charge that in snow emergencies and that is based on the contract that the Police Department has.

Alderman Gatsas asked what is this fee to. If I own a piece of property and somebody parks in front of my house...

Deputy Clerk Johnson interjected it regulates it within the City limits as I understand it.

Alderman Gatsas asked so if somebody tows it, it can't be more than \$50.

Deputy Clerk Johnson responded yes as I understand it unless it is part of the snow emergency act, which is a separate act of the City. We can research it for you further but this is the same section that was in there and I was asked to reinsert this section because it is creating other problems. I guess my best suggestion is you place it back in and then if the Police Department wants to change things or somebody wants to review it further with the Traffic Committee we can certainly bring it before Traffic to be reviewed.

Alderman Gatsas stated I just don't understand how we are...

Deputy Clerk Johnson interjected absent this you have nothing on the books other than your snow emergency so if somebody wants to come in and charge \$300 to tow a vehicle nobody is protected.

Alderman Shea asked would it be okay for us to include in this ordinance the exception of snow emergencies.

Deputy Clerk Johnson answered it is already in a different section in the ordinance.

Alderman Shea replied I realize that but it isn't in this section. What I am trying to say is would it be helpful if it were included under this so there would be a distinction made if someone were to refer to this, Section 70.40 and say how come I am being charged \$75 and the Chief or one of his delegates says well it was an emergency today and the guy says well gee I read this ordinance here and only says \$50. Would that be helpful? I am not sure.

Solicitor Clark stated as I understand it and I am pretty much in the dark like everybody else but when the Traffic Ordinance was revised this was intended to be in there. It was in the old ordinance. Due to technical error it just got omitted when the ordinance was put together and passed and as a result it is causing some problems for people who are getting towed because there are no limits in the ordinance anymore. I would suggest that you pass this tonight to put it back in place, let the City Clerk's Office, the Police Department and our office to work on it and we can come back at the next meeting if it needs to be revised. We ought to get something in place.

Mayor Baines called for a vote on the motion that the Ordinance be Ordained. There being none opposed, the motion carried.

On motion of Alderman DeVries duly seconded by Alderman Gatsas, it was voted to appoint Bob Rivard to the Conduct Board, term to expire October 1, 2003.

Alderman Thibault stated I am not sure if this was in the paper or not but I have had a couple of calls on it. People tell me that the MTA has changed and revised some of their routes and the public has not been made aware of the changes. I am just wondering if this Board could go on record as telling the MTA to publicize this so that the people will in fact be aware of the changes.

Mayor Baines replied we will discuss that with the MTA tomorrow.

A report of the Committee on Traffic recommending that an agreement between the City of Manchester and the State of New Hampshire Department of Transportation to temporarily close the I-293 Exit 5 Northbound Ramp onto Granite Street on Saturday, September 7, 2002 from 9 AM until 10 PM for the annual Riverfest Fireworks set-up and display be approved. The Committee further recommends that the Mayor be authorized to execute said agreement subject to the review and approval of the City Solicitor.

Alderman Sysyn moved to approve the agreement and authorize the Mayor to execute said agreement subject to the review and approval of the City Solicitor. Alderman Pinard duly seconded the motion.

Alderman Wihby stated I would hope that we would put a sign or something on the exit before letting people know that it is going to be closed so people go that way.

Alderman O'Neil stated it is part of the requirement I thought I read in there. They have to do it.

Alderman Smith stated just to follow-up with that the South Main Street bridge is out right now so if you don't put up a sign by Exit 4 they are going to have a hell of a detour. I don't know how they are going to get around.

Chief Driscoll stated we are going to put up signage. Actually, on page 2 of the permit the specifications from the State Highway Department require two signs. They are going to have a crew of people. There will be three State troopers out on the highway coordinating this with our folks. It is all going to be paid for by Riverfest. Riverfest has the liability. We have done it three or four times in the past. This, for whatever reason, has become very complicated this year at the State level. We think we can do it safely and without problems at all.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

Alderman O'Neil stated we have had something sitting around here all night and it had to do with a nomination that we missed or something one night. Was there a vacancy on the MTA that we didn't take care of one night?

Mayor Baines responded right we were supposed to bring in the nomination of Julie Gustafson for the MTA. She is the head of the incubator for Southern NH University.

On motion of Alderman Wihby, duly seconded by Alderman DeVries, it was voted to nominate Julie Gustafson as a member of the Transit Authority to fill the unexpired term of Harry Tentas.

On motion of Alderman Pinard, duly seconded by Alderman DeVries, it was voted to close the nominations.

On motion of Alderman DeVries, duly seconded by Alderman Wihby, it was voted to suspend the rules and confirm the nomination of Julie Gustafson as a member of the Transit Authority, term to expire May 2005.

There being no further business, on motion of Alderman Garrity, duly seconded by Alderman Thibault, it was voted to adjourn.

A True Record. Attest.

City Clerk